

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
(WESTERN DIVISION - LOS ANGELES)

JEFFREY POWERS, ET AL,) CASE NO: 2:22-cv-08357-DOC-KS
)
Plaintiffs,) CIVIL
)
vs.) Los Angeles, California
)
DENIS RICHARD MCDONOUGH,) Wednesday, September 25, 2024
ET AL,)
) (9:07 a.m. to 12:06 p.m.)
Defendants.) (2:40 p.m. to 7:42 p.m.)

HEARING ON INJUNCTIVE RELIEF

BEFORE THE HONORABLE DAVID O. CARTER,
UNITED STATES DISTRICT JUDGE

APPEARANCES:

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Court Reporter:

Recorded; CourtSmart

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Exceptional Reporting Services, Inc.
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Corpus Christi, TX 78468
361 949-2988

Proceedings recorded by electronic sound recording;
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Also present:

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JONATHAN VARAT
ADAM COHEN
SKIP MILLER
JONATHAN SANDLER
GREGORY BERGMAN
TYLER MUNROE
THOMAS SAFRAN
BRIAN D'ANDRE
STEVE PECK
CHRISTINE BERRY
DR. STEVEN BRAVERMAN
MR. KUHN
CHELSEA BLACK
RANDY JOHNSON
DR. KEITH HARRIS
BRET SIMMS

Los Angeles, CA; Wednesday, September 25, 2024; 9:07 a.m.

--oOo--

THE COURT: Counsel, let's go on the record. In the matter of Case No. 2:22-08357, Jeffrey Powers, et al versus Denna Richard McDonough. And, counsel, just remain seated but if you'd make your appearances again for our record. And we're on CourtSmart today, so there's not going to be real time for the Court and so I appreciate you being here with us at the court reporter and with CourtSmart. Thank you. Counsel.

MR. SILBERFELD: Good morning, Your Honor, Roman Silberfeld, Robins Kaplan for the plaintiffs.

MR. ROSENBAUM: Good morning, Your Honor, Mark Rosenbaum, Public Counsel for plaintiffs.

THE COURT: All right. Thank you.

MS. PIAZZA: Good morning, Amelia Piazza, Public Counsel for plaintiffs.

MR. ROSENBERG: Good morning, Brad Rosenberg from the Department of Justice --

THE COURT: Thank you.

MR. ROSENBERG: -- on behalf of the federal defendants.

MR. KNAPP: Good morning. Cody Knapp also on behalf of the federal defendants.

THE COURT: Thank you, appreciate it.

MR. GUARDIANA: Good morning, Ernest Guardiana on

1 behalf of Intervenor Bridgeland Resources.

2 **THE COURT:** Okay.

3 **MR. CARDOZO:** And good morning, Your Honor, Ray
4 Cardozo on -- specially appearing on behalf of the Regents of
5 the University of California who's planning to file a motion to
6 intervene in the case.

7 **THE COURT:** To intervene?

8 **MR. CARDOZO:** Yes.

9 **THE COURT:** All right. When will you do that?

10 **MR. CARDOZO:** As soon as Your Honor is -- by the end
11 of the week if we can waive --

12 **THE COURT:** I have a pen in hand, so if you want to
13 give that to me today, you can participate.

14 **MR. CARDOZO:** Sure. We initiated the meet and confer
15 which under the Local Rule is a seven day requirement so if
16 Your Honor --

17 **THE COURT:** Don't worry about that.

18 **MR. CARDOZO:** -- can waive that --

19 **THE COURT:** Don't worry about that.

20 **MR. CARDOZO:** -- we'll get that.

21 This particular motion requires some layers of
22 review, well above my pay grade. It's ready to go. I will
23 push that through and get it to Your Honor as soon as possible.

24 **THE COURT:** Okay. Will you be able to remain today?

25 **MR. CARDOZO:** Yes, and at any appropriate time,

1 there's a representative from UCLA I'd like to introduce the
2 Court to.

3 **THE COURT:** Who's that? Why don't you ask the
4 gentleman to come forward.

5 **MR. CARDOZO:** I don't know if you previously former
6 Dean of UCLA Law --

7 **THE COURT:** Well, just ask the gentleman to come
8 forward.

9 **MR. CARDOZO:** -- Jonathan Varat. When the 2016
10 Leasing Act was passed --

11 **THE COURT:** Just a moment. I don't have the
12 gentleman's name.

13 **MR. CARDOZO:** Oh, Jonathan Varat, V-A-R-A-T.

14 **THE COURT:** All right. And I don't know what
15 capacity you're acting in. In other words, I didn't have
16 jurisdiction over UCLA or Brentwood School, so I've invited the
17 Chair of the Board of Brentwood to be present and I've invited
18 the Chancellor to be present.

19 What I'm concerned about is I may be making decisions
20 today that could affect the University. Is the Chancellor
21 available?

22 **MR. CARDOZO:** The Chancellor is unavailable today,
23 unfortunately this comes right at the onset of the semester.

24 **THE COURT:** I'm sorry?

25 **MR. CARDOZO:** This comes right at the onset of the

1 semester and he had commitments he just couldn't --

2 **THE COURT:** Is he available tonight?

3 **MR. CARDOZO:** Huh?

4 **THE COURT:** Is he available tonight at 6 o'clock?

5 **MR. CARDOZO:** We can check on that, Your Honor.

6 **THE COURT:** Why don't you make a call.

7 **MR. CARDOZO:** I will. And if I could just finish the
8 introduction of --

9 **THE COURT:** I'm just concerned about the authority
10 that you may or may not have and I don't want you placed in the
11 position of making representations concerning the University.
12 This apparently or allegedly -- well, I've made a finding
13 literally got to the Chancellor's door before.

14 **MR. CARDOZO:** Sure, Your Honor, I'll --

15 **THE COURT:** So therefore I think if we're going to
16 have decisions just as in other cases, I appreciate the Mayor
17 being here and she's responder, the Chairman of the Board. I'd
18 like to be dealing with the Chancellor.

19 **MR. CARDOZO:** Understood, Your Honor.

20 **THE COURT:** My hours are non-ending. So 6 o'clock
21 tonight is fine, 7 o'clock tonight is fine. Why don't you make
22 that call.

23 **MR. CARDOZO:** Understood, Your Honor.

24 **THE COURT:** Okay.

25 **MR. CARDOZO:** This was the Chancellor's designee when

1 this partnership started back in 2016 that the new arrangement
2 under the Leasing Act and that's why in the Chancellor's
3 absence we sent him.

4 **THE COURT:** I've invited the Chancellor. I'm
5 waiting.

6 **MR. CARDOZO:** Okay. Thank you, Your Honor.

7 **THE COURT:** Thank you very much. No degradation to
8 you, sir, it's a pleasure to have you here. I just want to
9 have the authority in the room. If I'm going to make decisions
10 I want to hear, you know, from you if you care to share. Okay?
11 And I don't want you to have to make a phone call.

12 And, Mr. Miller, why don't you come forward, it's a
13 pleasure to see you again.

14 **MR. MILLER:** Thank you, Your Honor. It's a pleasure
15 to see Your Honor as well. We're making a special appearance,
16 we're not a party to this litigation.

17 **THE COURT:** Right.

18 **MR. MILLER:** So we're here with a special appearance,
19 my client, the Chairman of the Board of Trustees, Adam Cohen is
20 here.

21 **THE COURT:** Why don't you ask the gentleman to come
22 forward.

23 **MR. MILLER:** He's here because the Court invited him
24 and out of respect he wanted to show up and be here.

25 **THE COURT:** First of all, let me just thank you.

1 **MR. COHEN:** Thank you.

2 **THE COURT:** I'm very humbled for you being here. I
3 don't have jurisdiction over you. I promise you, you're going
4 to be treated very well in terms of courtesy. Okay? And I'd
5 like you to hear these proceedings today and I don't know if
6 you're going to intervene or not, as UCLA may, but I really
7 appreciate you being here. And thank you for that courtesy.

8 **MR. COHEN:** Thank you.

9 **MR. MILLER:** Thank you, Your Honor.

10 **THE COURT:** And any time you want to speak,
11 Mr. Miller, just come forward specially if you'd like to.
12 Okay?

13 **MR. MILLER:** Okay. Thank you. I appreciate it.

14 **MR. SANDLER:** Your Honor, just for the record,
15 Jonathan Sandler also on behalf of --

16 **THE COURT:** Nice seeing you. And I saw you out at
17 the schools, good seeing you again.

18 **MR. SANDLER:** Yes, Your Honor, thank you.

19 **THE COURT:** Any other persons who want to make their
20 appearance today?

21 **MR. BERGMAN:** Thank you, Your Honor, Gregory Bergman.
22 You requested that the three entities that are actually
23 building on the VA property at Wadsworth attend and all three
24 are here to assist the Court in any way they can.

25 **THE COURT:** Okay. Let me start with Safran &

1 Associates?

2 **MR. MUNROE:** Good morning, Your Honor, Tyler Munroe
3 with Thomas Safran.

4 **THE COURT:** Nice to meet you. It's a pleasure. And,
5 counsel, who's representing Century?

6 **UNIDENTIFIED:** I do, Your Honor.

7 **THE COURT:** And who's the gentleman with you, lurched
8 forward?

9 **MR. D'ANDRE:** Good morning, Your Honor, Brian
10 D'Andre, Senior Vice-President, Century Housing Corp.

11 **THE COURT:** Nice meeting you. It's a pleasure. And
12 the next gentleman is with you, Steve Peck.

13 **MR. PECK:** Good morning, Your Honor, Steve Peck, CEO
14 of USS.

15 **THE COURT:** Yeah, and I'll disclose to you that our
16 friendship goes back many years in the homeless issues. And I
17 also disclosed it to you that Steven called me and I had to cut
18 off that conversation abruptly, so I had -- didn't have outside
19 influence. And I appreciate your courtesy in that regard, so
20 pardon the abruptness, but I do want you involved in this and
21 the developers today to hear and participate.

22 **MR. PECK:** Absolutely, Your Honor, absolutely.

23 **THE COURT:** Okay. Anybody else want to make an
24 appearance today? All right. Who's the -- I'm sorry?

25 **UNIDENTIFIED:** Your Honor, Christine Berry (phonetic)

1 is here for the 1887 Fund. Christine Berry for the --

2 **THE COURT:** Oh, would you ask them to come forward,
3 I --

4 **UNIDENTIFIED:** -- for the Chapel.

5 **THE COURT:** Yeah, I've got some questions later on of
6 the 1887 Fund and also Steve of U.S. Vets for a moment. And so
7 you're not precluded -- so you're not surprised, I'm going to
8 be asking you about how much money you've got.

9 **MS. BERRY:** Okay. Christine Berry, 1887 Fund in
10 partnership with U.S. Vets, Thomas Safran and Century Housing
11 to redo the Wadsworth Chapel.

12 **THE COURT:** It's a pleasure and I read about you so
13 it's nice meeting you in person.

14 **MS. BERRY:** Nice to meet you too, Your Honor.

15 **THE COURT:** And I know there's also a collection of
16 rabbis, priests, clergy involved in the protestant faith.

17 **MS. BERRY:** There are, there are.

18 **THE COURT:** They're invited to be present any time
19 because we're going to talk about Wadsworth Chapel today also.

20 **MS. BERRY:** Wonderful, thank you.

21 **THE COURT:** And you know I'm going to ask you how
22 much money you've got.

23 **MS. BERRY:** Okay. Thank you.

24 **THE COURT:** Okay? Not right now, but I want to find
25 out why we haven't started on certain projects. But let me get

1 to that in just a moment. Okay?

2 **MS. BERRY:** Thank you, sir.

3 **THE COURT:** Nice meeting you.

4 Here's the things I'd like to discuss with you today
5 and then anything that you'd like to discuss with the Court.
6 First, I haven't written the final injunctive relief yet, but
7 I've given you the strong indication of the -- my findings,
8 that the leases are void.

9 And that presents a number of problems to the Court.
10 First, you've requested 750 temporary units and 1,800 long term
11 supportive units. The 1,800 long term supportive units you've
12 requested to be built out within six years.

13 The 750 temporary units you've requested to be built
14 out in 18 months. So on the board, I wrote 750 and 1,800. If
15 the Court wrote injunctive relief in its final form of 750
16 temporary units and if those were built out in 18 months, what
17 I might be concerned about is how those are sequenced in to
18 long term supportive housing units.

19 So take the number 1,800 and just put six years by it
20 hypothetically. And now take 750 and put 18 months by it.
21 What I don't want is 750 units to be built, veterans go into
22 those units and languish over three, four, or five or six years
23 while we built long term supportive units.

24 So I'm worried about how that would be sequenced. If
25 you're really requesting 750 and if I approve that, then you've

1 got to match up for me how those people are going to languish
2 in those temporary supportive units and I assume that you're
3 either going to request that I shorten the time from six years
4 to four years or something quicker and then we're going to have
5 to have a real discussion about that with the developers.

6 Or that this is going to have to be sequenced in some
7 way. So that's my first question eventually to each of you.

8 Second, I've already made findings that there's more
9 than ample room for temporary and long term supportive housing.
10 And for a moment, I want you to put up 248 because it's the
11 only overview that I have, so Exhibit 248. Can one of you put
12 that up for me?

13 **MR. ROSENBERG:** I have it, but I can only use the
14 Elmo.

15 **THE COURT:** Sure, the Elmo's fine. All right. Can
16 we work off of any better -- today can we work off of any
17 better exhibit than this photograph or this map? Is there
18 anything that shows Brentwood School, along with the baseball
19 diamond, along with south campus and north campus than Exhibit
20 248?

21 **MR. SILBERFELD:** I don't think we have anything
22 better.

23 **THE COURT:** Counsel, did you have anything better?

24 **MR. ROSENBERG:** No, in fact, this is the same exhibit
25 that we've been formally working off of.

1 **THE COURT:** Okay. We'll work off of that today.

2 I'd also like to discuss how many units must be free
3 from income eligibility restrictions so that the most disabled
4 veterans are not excluded from housing. I'd like to discuss
5 exit strategies for the leasehold with UCLA, Brentwood School,
6 Safety Park, and Bridgeland and when we get to that, the first
7 entity I'm going to want to discuss with you will be Safety
8 Park. The next will be Bridgeland and then out of courtesy
9 because the Chairman's here, Brentwood School would be next
10 ahead of UCLA and we'll wait for the Chancellor.

11 And any additional points you wish to discuss with
12 the Court but those are minimally the points I'd like to cover
13 today. I want to introduce to you the Court appointed monitor
14 in this matter. I'm going to ask Mr. Hueston to stand and just
15 introduce yourself.

16 **MR. HUESTON:** Good morning, Your Honor. Good
17 morning, Your Honor, John Hueston of Hueston & Hennigan to
18 serve as monitor.

19 **THE COURT:** John volunteered to serve pro bono, which
20 is a great public service. He has an extraordinary law firm
21 and comes to us by virtue of the background as United States
22 Attorney. He was also the lead prosecutor in the Enron case
23 and as far as this Court is concerned, unless you find a
24 conflict of some kind, this will be the Court special monitor.
25 So on behalf of the plaintiffs, any issues?

1 **MR. SILBERFELD:** No issues, Your Honor.

2 **THE COURT:** You can check and see, just to make sure.
3 On behalf of the VA?

4 **MR. ROSENBERG:** No issues, Your Honor.

5 **THE COURT:** HUD?

6 **MR. ROSENBERG:** For the federal defendants, both VA
7 and --

8 **THE COURT:** Are you going to represent VA and HUD?

9 **MR. ROSENBERG:** Yes. We represent the United States.

10 **THE COURT:** Okay. On behalf of Bridgeland?

11 **MR. GUARDIANA:** Bridgeland's fine with the monitor,
12 Your Honor.

13 **THE COURT:** And in the future if there's an issue
14 then although there hasn't been an intervening by either UCLA
15 or Brentwood at this particular time or the Safe Parking, you
16 are here as a party on behalf of Bridgeland, but if those
17 parties have a concern, they'll call that to the Court's
18 attention. And I just want to humbly thank you for this public
19 service. I want to do that publicly. I've been able to
20 surround myself with -- the last seven years with people who've
21 absolutely worked because they're concerned and patriotic for
22 no fee. So welcome. I actually encouraged you to charge, he
23 declined to do so. So all that's good and his rates would be
24 normal, which would be expensive. So I want to thank you
25 publicly for your service.

1 **MR. HUESTON:** Thank you, Your Honor. I'm pleased to
2 serve. Thank you.

3 **THE COURT:** Okay. He also brings with him a law firm
4 in a sense and would you introduce your associate and partner
5 as well.

6 **MR. HUESTON:** Yes. I'd like to introduce Craig
7 Fligor from Hueston Hennigan who will also be assisting.

8 **THE COURT:** Okay. Some of the other issues I wanted
9 to discuss with you about if you'd now put up Exhibit 1368 or
10 1638, I'm sorry. That's a larger exhibit. So 1638.

11 Here, take the Court's copy. That's fine. And also
12 take another blow up which would be -- well, here. But that's
13 the primary one. Put that up for a moment, just so you have a
14 preview of what we're going to discuss today because decisions
15 will be made today.

16 **MR. BERGMAN:** Your Honor, if I might, Greg Bergman
17 for CHC and the other builders. CHC and the group prepared a
18 large map that might be of assistance --

19 **THE COURT:** It would be.

20 **MR. BERGMAN:** -- that has been given to the U.S.
21 Attorney that perhaps can be given to Your Honor and to the
22 different parties.

23 **THE COURT:** John, could you help me with that in just
24 a moment? Is it capable of being displayed also on the Elmo so
25 all of us can work off of that? And it does cover the entire

1 south campus, north campus, the baseball field, Brentwood?

2 **MR. BERGMAN:** I think a small focus on the housing
3 issues.

4 **THE COURT:** Then I don't want to use it at the
5 present time.

6 **MR. BERGMAN:** Okay.

7 **THE COURT:** I need a map of the entire area. And
8 then later on --

9 **MR. BERGMAN:** Save it until we get --

10 **THE COURT:** Yeah, later on, you can make that
11 presentation, okay. All right.

12 Just a couple of other things, I'm concerned about
13 the Waverley Chapel. I don't know how much money has been
14 raised, Steve, or Mr. Peck. And I'm concerned that we're
15 letting the perfect get in the way of good and that we're not
16 starting a project when we may have some money to start a
17 project. It doesn't have to be Waverley first, but I'm going
18 to be asking you, you know, how much, what's the cost, when we
19 can get started on that in just a few moments.

20 I'm concerned about -- and now if you'd put up the
21 exhibit I just gave you, the 2 -- there it is. Okay. I think
22 it caught all of us by surprise that we had this methane issue.
23 For the life of me, I don't understand how we go through an
24 entire construction project, get to the point of move in
25 supposedly on September 3rd and the VA is absolutely in the

1 building and we can't put in a hundred plus veterans and then
2 we can't put in another 70 or 80 veterans in January.

3 And Barbara Ferrer is an outstanding public service,
4 but I'm baffled by her answer. Her answer is, for those
5 veterans in 209, 208 and 205, they can remain. Although
6 they're within a thousand feet of this methane problem. And
7 methane is supposed to be highly explosive. But for the
8 MacArthur Field projects, they can't move in, even with
9 monitoring.

10 It seems incongruent that you would leave veterans in
11 a housing unit with a simple explanation that they're already
12 there and not allow veterans to move in with monitoring going
13 on in the MacArthur Field projects. That's why the developers
14 are losing money, it's got to be disheartening. The VA is
15 absolutely in a position of moving as rapidly from their
16 perspective as they can. I frankly don't understand that
17 answer.

18 So it leaves either vacating hypothetically the
19 veterans in 209, 208 and 205 which is ridiculous or it seems to
20 me the other veterans ought to be moving in with proper
21 monitoring.

22 And I think what's really happened is bureaucracy
23 again and that is that the 70 letters were sent out to the --
24 well, to different groups. And I'm a little afraid that she
25 can't back off of her present position, because if she does,

1 then she's got a whirlwind with 68 or 69 other groups that she
2 sent a letter to creating this exception.

3 I'm just -- before I go further, has there been any
4 further discussion by the VA with Barbara Ferrer? She's very
5 courteous, if we need to get her over here, we will.

6 **MR. ROSENBERG:** Yes, Your Honor, we do have an
7 update.

8 **THE COURT:** Have a seat or use the lectern, one of
9 the two.

10 **MR. ROSENBERG:** We do have an update and I'll note
11 that in addition to the individuals that the Court has asked to
12 attend today's conference from VA, we have brought Ms. Chelsea
13 Black, who has an update that she can provide --

14 **THE COURT:** Well, ask her to come up.

15 **MR. ROSENBERG:** -- with some good news.

16 **THE COURT:** Ask her to come up. And I'd like to hear
17 this update because what I'm afraid of is that we also start
18 losing veterans who also filled out all of this paperwork, that
19 that paperwork runs out, that we have to start again. So,
20 Ms. Black, it's a pleasure to meet you. How are you and
21 Ms. Ferrer doing?

22 **MS. BLACK:** Good. So I do have an update from the
23 last time I was here. Our team met with the County team on the
24 17th and went through different discussion points. One of
25 those being an interim solution that the County proposed to our

1 team for our developers to expedite the move ins of veterans.

2 So 401, in particular, the 74 units in MacArthur
3 Field, I think for a period of time we were a little unsure.

4 **THE COURT:** Yeah, just a moment.

5 **MS. BLACK:** Sure.

6 **THE COURT:** Okay. Will one of you come up here and
7 put this up on the board for me? Ms. Black, just a moment, I
8 want to show you something. And you can identify the exhibit
9 number in just a moment.

10 And don't mind the handwriting on the side, that's
11 mine. Anyways. Okay.

12 **MS. BLACK:** Yes. So MacArthur Field --

13 **THE COURT:** And how many -- show me 401 because
14 these -- look over on the building numbers on the left side.

15 **MS. BLACK:** So right underneath 208.

16 **THE COURT:** That would be MacArthur Field Phase 1 --

17 **MS. BLACK:** Phase 1.

18 **THE COURT:** -- by Core (phonetic).

19 **MS. BLACK:** That is correct.

20 **THE COURT:** And that would have 74, I've circled
21 that, 74 move ins.

22 **MS. BLACK:** Correct.

23 **THE COURT:** Now how are we doing with that?

24 **MS. BLACK:** We're doing great. So we were able to --
25 the County was able to provide an interim solution. Basically

1 the developers would purchase plug in devices very similar to
2 fire alarms, Co2 alarms to install throughout the development.
3 That would allow a temporary monitoring, make sure that the
4 development was safe and allow veterans to move in while the
5 developer works on a more permanent methane monitoring plan.
6 And, of course, while the VA works on our plan to produce a
7 post closure reports.

8 **THE COURT:** Okay. When?

9 **MS. BLACK:** So they were able to get their
10 certificate of occupancy, their final, so 401-A on MacArthur
11 was able to get their CO and that was, remember, the Department
12 of Public Works --

13 **THE COURT:** Right.

14 **MS. BLACK:** -- is the ones who issue the occupancy
15 permits.

16 They did their inspections. I believe there was some
17 communication possibly with the Public Health Department.
18 Based on our discussion on the 17th, but nonetheless Public
19 Works --

20 **THE COURT:** Of September?

21 **MS. BLACK:** Correct.

22 **THE COURT:** Okay.

23 **MS. BLACK:** They were able to grant the final
24 certificate of occupancy.

25 **THE COURT:** Now, I always expected that you would

1 have the certificate of occupancy. And during the trial, it
2 was represented that that didn't seem to be a barrier, that's
3 not the certificate that I'm interested in now. This one comes
4 from Barbara Ferrer.

5 **MS. BLACK:** The one that comes from Barbara Ferrer
6 will be the permit hold would be removed.

7 **THE COURT:** When?

8 **MS. BLACK:** So our understanding is once the
9 developer creates the plan and they install the monitors, they
10 will remove the hold.

11 **THE COURT:** Who's here for Corps? Well, I need some
12 developer to help me then. Steve, come on up, I'll put you on
13 the firing line. You're hearing this discussion, it doesn't
14 affect Building 210 which you have nor --

15 **MR. PECK:** Correct.

16 **THE COURT:** -- or I think it's --

17 **MR. PECK:** That's outside the circle.

18 **THE COURT:** Yeah. And any of the developers could
19 join you, but what's being proposed is a temporary alarm system
20 or monitoring.

21 **MR. PECK:** Yes.

22 **THE COURT:** I don't have any idea how long that
23 takes. In other words, I'm going to look for dates today and
24 if I need to get Barbara over, I'll ask her to come over, but I
25 want dates and times. I think the VA deserves that courtesy.

1 I think the developers do because you're losing money quite
2 frankly and I think the veterans do because I'm worried about
3 the paperwork getting old and they have to redo it.

4 Help me. How long do you think that takes to get
5 something that I don't understand, some alarm system in?

6 **MR. PECK:** That's not my area of expertise.

7 **THE COURT:** Well, look around the room, see if you
8 somebody that is. Mr. Johnson, is this area of expertise?
9 Who's an expert out there that can help me?

10 **MR. PECK:** Can you --

11 **THE COURT:** Ms. Black can, thank you. Another
12 gentleman is going to come forward also.

13 **MR. MUNROE:** Hello, Your Honor. My understanding is
14 the veterans are moving in tomorrow.

15 **THE COURT:** The what?

16 **MR. MUNROE:** The veterans are beginning to move in
17 tomorrow.

18 **THE COURT:** They are?

19 **MR. MUNROE:** They are.

20 **THE COURT:** So if I drive out there tomorrow
21 afternoon --

22 **MR. MUNROE:** You should see veterans --

23 **THE COURT:** -- at 3 o'clock --

24 **MR. MUNROE:** Yes.

25 **THE COURT:** -- I'm going to see veterans there.

1 **MR. MUNROE:** You should see veterans there.

2 **THE COURT:** Okay. I'll meet you there. That's
3 outstanding progress.

4 Ms. Black, back to you.

5 **MS. BLACK:** So, yes, the plan should be relatively
6 easy to put together. They're going to identify spots where
7 these temporary monitors will reside and Home Depot sells them
8 \$50 a piece, it should be a relatively simple strategy to
9 implement. And the County has advised that they will expedite
10 the review and they seem to be collaborative in terms of really
11 helping us --

12 **THE COURT:** Right.

13 **MS. BLACK:** -- get veterans moved in.

14 **THE COURT:** All good news.

15 So tomorrow we'll have veterans moving in?

16 **MS. BLACK:** We should.

17 **THE COURT:** Is that your understanding from the VA?

18 **MR. ROSENBERG:** I don't have any reason to believe
19 otherwise.

20 **THE COURT:** Well, guess where you're going to be at 3
21 o'clock tomorrow.

22 **MR. ROSENBERG:** I will change my travel plans.

23 **THE COURT:** Okay. Guess where you're going to be as
24 plaintiffs tomorrow? Okay.

25 Now, I may be a little late. I've got a meeting with

1 a number of counsel, people tomorrow at 1 o'clock out in the
2 Valley, Michelle, that may take till 3 o'clock and I'm driving
3 back. But we'll be at the VA tomorrow afternoon to happily
4 greet our veterans moving in.

5 I want to compliment you. Oftentimes I'm negative,
6 but I want to compliment all parties involved, Barbara Ferrer,
7 you especially, the VA working together to get this done. And
8 hopefully the developers we're getting some movement now
9 because this could have gone on an extraordinary period of
10 time, just because we have bureaucracies involved, so I'm
11 extraordinarily pleased with that progress.

12 Anything else that you'd like to say?

13 **MS. BLACK:** No. We -- again, we're committed to
14 providing that plan and we're going to commit to an
15 expedited --

16 **THE COURT:** Okay. How are we doing then with the
17 next move in, which would be --

18 **MS. BLACK:** So 404.

19 **THE COURT:** Yeah. 404 we have 72 veterans.

20 **MS. BLACK:** 404 is not within a thousand feet of the
21 field, so that's not impacted. The following development, 402
22 is within a thousand feet. 402 developers have already started
23 to look at the plan for installing these temporary monitors, so
24 they're already ahead of the game on that, so.

25 **THE COURT:** So we have the precedents with MacArthur

1 Field --

2 **MS. BLACK:** Correct.

3 **THE COURT:** -- to what we've referred to as 401
4 hopefully come January when this is supposed to --

5 **MS. BLACK:** Correct.

6 **THE COURT:** -- have our move in date, we should have
7 a hundred -- is 402 118 veterans?

8 **MS. BLACK:** That is correct.

9 **THE COURT:** All right. Now, just a moment. Who is
10 our -- in 402 --

11 **MS. BLACK:** TSA.

12 **THE COURT:** -- it's PD TSA, are they here?

13 **MR. MUNROE:** Yes.

14 **THE COURT:** Come on up for just a moment. What I
15 want to hear about is your paperwork. I want to hear what your
16 occupancy is, because this costs you money every time you don't
17 get a veteran in. I'm worried about the paperwork being
18 duplicated, I'm worried about the developers.

19 **MR. MUNROE:** Your Honor, we're working right now with
20 the County Department of Public health and Public Works on what
21 they've implemented, as Ms. Black has talked about, an interim
22 measure. But we also believe that the same thing that the
23 County has done for 401-A MacArthur which is to give occupancy
24 about a week and a half ago move ins as we talked about
25 earlier.

1 **THE COURT:** Yeah.

2 **MR. MUNROE:** We'll also set precedent as you said for
3 402 as well. So we're doing both in parallel. We have a few
4 more months, so we're ahead of it and we'll continue to do
5 that.

6 **THE COURT:** Excellent.

7 **MR. MUNROE:** Pursue both paths.

8 **THE COURT:** Now, you'll let the monitor Mr. Hueston
9 know if there's a problem immediately.

10 **MR. MUNROE:** Yes, sir.

11 **THE COURT:** Okay. Thank you very much.

12 Ms. Black, anything else other than me thanking you?

13 **MS. BLACK:** No, Your Honor, thank you.

14 **THE COURT:** All right. Now, I hope you'll stick
15 around today. There's a few more questions that may come up
16 that might involve you, but I'm not certain.

17 **MS. BLACK:** Certainly.

18 **THE COURT:** All right. The next area eventually that
19 we're going to cover, you're going to give into the Court about
20 is this issue concerning -- I need you to take that down and I
21 need you to put up the other map, which is a larger map and
22 there it shows the three areas that the methane -- yeah, if
23 you'd straighten that out, appreciate it.

24 It's not part of this lawsuit but Veterans Barrington
25 Park is an opportunity along with the contiguous parking lot.

1 And, Mr. Soboroff, for a moment. Come on up.

2 I know that you took -- bring Mr. Johnson with you.
3 It's a pleasure to see both of you and I'm going to be relying
4 upon you as well as Mr. Kuner (phonetic) in a couple of
5 moments.

6 **MR. SOBOROFF:** Thank you, sir. I'm Steve Soboroff.
7 This is Randy Johnson.

8 **THE COURT:** Last time I think we jokingly got into a
9 conversation about this park and there was a little bit of
10 reluctance on your part at that time. I know you took a tour.
11 Have you gentlemen actually walked through that park?

12 **MR. SOBOROFF:** Hundreds of times.

13 **THE COURT:** Have you?

14 **MR. SOBOROFF:** Yes, sir.

15 **THE COURT:** You did?

16 **MR. SOBOROFF:** I've been Parks Commissioner for --

17 **THE COURT:** No, no, have you actually walked through
18 that park, that tour that you took, I know that you went by
19 bus, have you actually walked through that park?

20 **MR. SOBOROFF:** Oh, before that as Parks Commission
21 for the City of Los Angeles, that park was known for the
22 subsurface issues that created all the gopher holes.

23 **THE COURT:** Exactly.

24 **MR. SOBOROFF:** And so we were all told, including
25 everybody out here from Brentwood, you're going to hurt

1 yourself playing there. So people wouldn't even take their
2 dogs there.

3 **THE COURT:** Okay. So we know that. That park and
4 the outfield is absolutely unplayable. And Mr. Hueston was
5 kind enough to convince the Court to go out with him on a
6 Sunday recently and we walked through that park again.

7 **MR. SOBOROFF:** How's your ankles?

8 **THE COURT:** I've got some pictures that if I put up
9 would be a disgrace concerning that park. This is on a one
10 year revocable lease. If you're going to work with the Court
11 then this is going to come up for consideration in terms of
12 permanent supportive housing. And I'm going to depend upon
13 your input, but when we talk about facilities, we have
14 facilities along Barrington, across the street we have three
15 and four height instead of second height. That park, I'm going
16 to have you walk it with me. I want you to physically see the
17 condition of that park. It's not playable.

18 So as we go through some of these alternatives today,
19 see you about 3 o'clock tomorrow?

20 **MR. SOBOROFF:** Sure.

21 **THE COURT:** Good. We'll be down for VA and see how
22 we're doing with the move in, and then we're going to go up to
23 that park and we're going to walk through that park, okay? But
24 this is absolutely on the table although it's not part, you
25 know, the Bridgeland, the UCLA, the Brentwood, et cetera, fair

1 enough?

2 **MR. SOBOROFF:** Are you open to seeing other things
3 that could be on the table that have emerged since?

4 **THE COURT:** Absolutely.

5 **MR. SOBOROFF:** Okay.

6 **THE COURT:** Absolutely. Describe to me what those
7 are, though. Because we've been out there recently.

8 **MR. SOBOROFF:** Your Honor, have you ever been to
9 Wrigley Field, Chicago?

10 **THE COURT:** Yeah. I'll tell a story. One of our
11 kids was watching TV and became a Chicago fan, so that's where
12 we went for our summer vacation in August. I've been there and
13 Wave Street is right across and if you want to be cheap, you
14 can watch from the apartments. Okay. I've been there.

15 **MR. SOBOROFF:** Across the street from the baseball
16 field are apartments.

17 **THE COURT:** Right.

18 **MR. SOBOROFF:** Multi-story apartments, basically up
19 to the baseball field, except there's a street in between.
20 When, in fact, they built bleachers on the top of those
21 apartments so people can see the game.

22 **THE COURT:** Right.

23 **MR. SOBOROFF:** There is a strip of land around the
24 Jackie Robinson Stadium --

25 **THE COURT:** I'm going to get to Jackie Robinson in

1 just a moment.

2 **MR. SOBOROFF:** Okay. But I'm just saying, you
3 asked --

4 **THE COURT:** Bear with me.

5 **MR. SOBOROFF:** -- me the opportunity, but.

6 **THE COURT:** Yeah, we know that strip of land. We
7 know the parking lot, we know the six acres, we know that side.
8 Mr. Hueston went through that with the Court on a, let's just
9 say, informal tour.

10 **MR. SOBOROFF:** We have some new opportunities.

11 **THE COURT:** Yeah. We're going to get to that, I
12 promise you.

13 **MR. SOBOROFF:** Okay.

14 **THE COURT:** I'm open to all of this in a moment.

15 Now, I'm going to drive home, though, do you see
16 those concentric circles?

17 **MR. SOBOROFF:** Yes, sir.

18 **THE COURT:** They cover a large part of this park and
19 I don't want any surprises concerning methane. This seems to
20 be resolved in what I'm going to call building 401 or MacArthur
21 Field and 402 eventually and 404. All of a sudden we get into
22 construction and we have a surprise like we had in the court.
23 And somebody comes back in and says, you know, these are not
24 habitable. How do I resolve that now? And ERI takes an awful
25 long time, probably too long, but this park is on our radar.

1 **MR. JOHNSON:** Yeah. I think what you do is you test
2 those sites.

3 **THE COURT:** How do I do that?

4 **MR. JOHNSON:** You hire a methane engineer to go out
5 there and verify what the volume and the concentrations are of
6 methane. Methane is all over LA. So if you know it in advance
7 you can deal with it.

8 **THE COURT:** Okay. And so I don't need an EIR which
9 takes time then, I just need some testing out there.

10 **MR. JOHNSON:** Yes.

11 **THE COURT:** And if Barbara is taking the position
12 that we can move into MacArthur Field, hopefully she'll take
13 the position that we can move in to MacArthur, but we need to
14 get her in here and show that testing and put in some monitors
15 to be certain.

16 **MR. SOBOROFF:** These circles seem to be a
17 overreaction to science.

18 **THE COURT:** Well, I'm not there yet.

19 **MR. SOBOROFF:** Okay.

20 **THE COURT:** I don't know. I just don't want us to
21 devote this kind of money around the developers in a position
22 that they found themselves in the last time unexpectedly or the
23 VA.

24 Who created this landfill? I sent out a notice to
25 you yesterday. I want to know who created this. Landfill to

1 me means a garbage dump. So I want some history on this.

2 **MS. BLACK:** Chelsea Black for the record.

3 The landfill was again, 1950 when it was started. It
4 ran through 1968.

5 **THE COURT:** So 1950s -- let me repeat back to you.
6 1968.

7 **MS. BLACK:** And then again in 1971 to, you know,
8 various some additional construction debris. The landfill was
9 created -- it was common to create this kind of shallow burial
10 area prior to federal disposal regulations.

11 **THE COURT:** Okay.

12 **MS. BLACK:** And that's really how it was created and
13 utilized up to that point.

14 **THE COURT:** Do we have any idea what was put in
15 there? In other words, normally asbestos doesn't create
16 methane so normally methane is created by garbage quite
17 frankly.

18 **MS. BLACK:** Correct.

19 **THE COURT:** So garbage was put in this landfill?

20 **MS. BLACK:** No. Medical waste predominantly.

21 **THE COURT:** From Wadsworth Hospital?

22 **MS. BLACK:** And construction debris.

23 **THE COURT:** So medical waste is there.

24 **MS. BLACK:** Correct.

25 **THE COURT:** And that's what we believe is creating

1 the methane?

2 **MS. BLACK:** We don't really believe there is high
3 levels of methane. That's more consistent like you said with
4 organic material that decomposes --

5 **THE COURT:** Okay.

6 **MS. BLACK:** -- thus creating the methane. We don't
7 have any firm evidence indicating that there was large amounts
8 of organic materials and that is counter to investigations that
9 we've done over the years.

10 This really low levels of methane both around the
11 Arroyo and at different sites.

12 **THE COURT:** When I say this, I trust you, I trust
13 your representations, so I trust counsel's representations. I
14 don't trust though, I don't trust the simple answer that both
15 of us hope is true and that is, no problem. And that's why I'm
16 asking Mr. Johnson, Mr. Soboroff with their wisdom how we
17 conduct, you know, efficiently, cost-effectively some test out
18 there so that if this property comes on the radar for permanent
19 supportive housing that we don't run into a problem in the
20 future. Fair enough?

21 **MS. BLACK:** Correct.

22 **THE COURT:** Now, would the VA be opposed in this
23 injunctive relief if I ordered testing on Barrington Park?

24 **MR. ROSENBERG:** No.

25 **THE COURT:** Okay. The next one we're floating around

1 and it's a rumor is that there was some kind of biproduct of
2 some type of nuclear. And I'm going to ask you to come up for
3 just a moment, Rob. Yeah, come on up for a moment.

4 This rumor has been floating around a long time, it
5 goes back quite a few years. I can't afford now to get into a
6 position where developers are developing and we have anything
7 on the horizon that stops the move in because we have new
8 paperwork, the veterans have to generate that again, the
9 developers are losing money, a ridiculous situation.

10 Fill me in as much as you can about these rumors and
11 if there is a particular location where this might be, because
12 I want to set all this aside early.

13 **UNIDENTIFIED:** So my understanding of this is I've
14 heard about this for years. There's some articles that were
15 written in Enviro Reporter and the reporter's name is Michael
16 Collins and he did a lot of studies of that area, the landfill
17 behind MacArthur. And his findings per the articles is that
18 there's radioactive material. And just recently within the
19 last week, week and a half, another attorney had reached out to
20 me through a reporter and said they wanted to talk because they
21 were concerned about what was in those landfills. I haven't
22 had a chance to speak with him yet, but that's on my list to
23 do.

24 **THE COURT:** Can Mr. Johnson and Mr. Soboroff come
25 back up again? I don't know how much you know about this kind

1 of material, I know very little. This could be a wild fishing
2 expedition. What I don't want is the Court in a position of
3 considering a location and at the last moment we either have a
4 lawsuit or input that causes us to stop.

5 How do I deal with this kind of material and where is
6 it located, do you know?

7 **MR. JOHNSON:** It's located, you can see it on the
8 maps. If you -- let's see. They are the purple circles within
9 the yellow.

10 **THE COURT:** So the landfill is the same location
11 that's allegedly producing some amount of methane that I'd have
12 this material?

13 **MR. JOHNSON:** Yes. That there's been articles
14 written that there is radioactive material per this --

15 **THE COURT:** So how do I make certain then that the
16 Veterans Barrington Park or let's say a baseball field by the
17 fence at Brentwood School is suitable for building or do I just
18 let this as a rumor and I take everybody's goodwill that we
19 believe this, and Judge, I don't think we don't want to do
20 that. I think we want to verify now, I think it's inexpensive,
21 so help me, Mr. Soboroff, help me, Mr. Johnson.

22 **MR. JOHNSON:** So I think what you want to do is the
23 Regional Water Quality Control Board or one of the agencies
24 will have all the bad stuff. They'll tell you where it's at.
25 And it'll be -- you know, you can go to the parcel and find out

1 if there's anything there that's recorded.

2 **THE COURT:** And you can do that for me?

3 **MR. JOHNSON:** Yeah, sure.

4 **THE COURT:** And we can do that today? Excellent. I
5 love that attitude.

6 **MR. JOHNSON:** All right.

7 **THE COURT:** So we're going to get on the phone, we're
8 going to start tracing it down, we may not reach completion
9 today but I want to verify the location and come up with the
10 best method of taking a look at that so we take it off the
11 board or if we have a concern, we deal with it, when we go out
12 to, you know, monitor this --

13 **MR. SOBOROFF:** And I would think you should have a
14 lot of this information already, don't you?

15 **THE COURT:** Ms. Black, come on up for a second.

16 **MR. ROSENBERG:** Ms. Black might be able to speak to
17 some of that.

18 **THE COURT:** Yeah. What information do you have?

19 **MS. BLACK:** There have been several studies over the
20 years and I think the -- there's an All West Geoscience
21 investigation that was done and I don't remember the exact --

22 **THE COURT:** No, no, let's stop now --

23 **MS. BLACK:** Yes, sir.

24 **THE COURT:** -- so we're not guessing.

25 **MS. BLACK:** Yes, sir.

1 **THE COURT:** Can you help Mr. Johnson, Mr. Soboroff --

2 **MS. BLACK:** Uh-huh.

3 **THE COURT:** -- start pulling that today?

4 **MS. BLACK:** Absolutely.

5 **THE COURT:** And I want to make a docket of that so if
6 people are concerned they know what those concerns are and the
7 public can react or there's not an issue.

8 **MS. BLACK:** Yeah, we have no concerns about methane
9 or any -- there's low levels of radioactive material and have
10 no concern.

11 **THE COURT:** No, you don't, I do.

12 **MS. BLACK:** Okay.

13 **THE COURT:** Because we already hit one road block
14 that caused the VA, you know, not to be able to move in on
15 September 3rd. So I'm not taking that anymore as the gospel, I
16 just need to verify that. We'll work with Mr. Hueston today.
17 If you can start pulling things we'll be here as long as you
18 need, okay.

19 Now, we may not complete this today. I just want to
20 know with Mr. Johnson's wisdom and Mr. Soboroff what we need to
21 do to verify that there's no issue. And if there are past
22 studies that say that, then I want to make those public, so
23 there's no public concern, but I need a record of that. Fair
24 enough?

25 **MS. BLACK:** Understood.

1 **THE COURT:** Okay.

2 **MS. BLACK:** Thank you.

3 **MR. SOBOROFF:** Judge, sir, we ran into this before at
4 Playa Vista. Different parcels with different situations and a
5 task master on each one would go into a room with everybody and
6 then come out with a solution. They're all different.

7 In this case you're talking about a couple of
8 hotspots --

9 **THE COURT:** Right.

10 **MR. SOBOROFF:** -- and in those -- within those hot
11 spots there are different methods of remediation and one of the
12 remediation methods, I mean, we've found bombs that were in
13 there from the Howard Hughes, from the war. We found all kinds
14 of issues and they're all dealt with differently.

15 In this case, that's why the circled map gives me the
16 creeps because there's a couple of hot spots in here and they
17 can be dealt with. But this is a task. And in this project,
18 there's 50 tasks. But in this task, everybody needs to get in
19 one room and come out with an answer and the county has to be a
20 part of that.

21 **THE COURT:** We're going to do that, believe it or
22 not.

23 **MR. SOBOROFF:** I believe it.

24 **THE COURT:** Okay. We're going to do that. I just
25 need to have information initially so I have some idea if there

1 even is a problem because there may have been prior studies
2 that say this has been resolved. And if that's the case, then
3 I'm not going to waste your time.

4 If not, then I want to make certain we don't run into
5 a last minute issue.

6 **MR. SOBOROFF:** There may be, there may not, but this
7 is not the first time I assure you that this has ever happened
8 and it is a very simple thing to find out the answer to.

9 **THE COURT:** Yeah. So here's the deal, let's just do
10 it.

11 **MR. SOBOROFF:** Yes, sir.

12 **THE COURT:** Let's quit talking about it and do it.
13 All right?

14 All right. Now, I want to go back to the next
15 subject that'll eventually be discussed and that's Treasury.
16 I'm going to ask you, what progress has been made, in terms of
17 Treasury and writing these regulations that have been pending.

18 **MR. ROSENBERG:** We have good news on that as well.
19 I'd ask Dr. Keith Harris to --

20 **THE COURT:** Excellent.

21 **MR. ROSENBERG:** -- discuss that.

22 **THE COURT:** And I want to thank Dr. Harris for his
23 participation. You're very much appreciated. And for the
24 record, this is the gentleman who's I think been the forerunner
25 of trying to change these policies and frankly I'll put it on

1 the record I think you were ignored for a substantial period of
2 time. You can't say that to your employer, but I can. And so
3 your pioneering efforts are very much appreciated.

4 **DR. HARRIS:** Thank you, sir. Nice to see you again.

5 **THE COURT:** Nice to see you.

6 **DR. HARRIS:** We do have very good news on this.

7 Treasury released a -- what they call a revenue procedure
8 yesterday --

9 **THE COURT:** Yesterday.

10 **DR. HARRIS:** -- adopting HUD's method of calculating
11 income into their low income housing tax credit program. And
12 this was -- we talked about this a little bit before, this was
13 a very necessary step for the HUD guidance to have real world
14 impact.

15 **THE COURT:** Have the regulations been written?

16 **DR. HARRIS:** Yeah. And technically it's not
17 regulation, they're able to write an internal procedure that
18 then goes to the state offices that administer that program.

19 **THE COURT:** So walk through the process then because,
20 of course, if this is off the Court's radar, you have the
21 ability to make a change that I can't. I can make a change if
22 I feel it's necessary within the parameters of the lawsuit, but
23 what you're doing has nationwide significance, and therefore,
24 any time I can back away and be assured or plaintiffs can be
25 assured, I would love to have you resolve this.

1 **DR. HARRIS:** Yeah. This is the action you were
2 musing about many times during the trial was would Treasury
3 take this action without Court involvement and they did.
4 Treasury has authorized to define income in the low income
5 housing tax credit program in a manner consistent with HUD's
6 Section 8 method. So they can write this as internal
7 procedure, it does not require --

8 **THE COURT:** Okay.

9 **DR. HARRIS:** It actually doesn't require --

10 **THE COURT:** You'll talk to plaintiff's counsel if you
11 have concerns, you're going to raise those concerns. This is
12 still on the table for injunctive relief. If I don't have to
13 write that injunctive relief, obviously if there's some -- I
14 can delay a portion of that injunctive relief to the future,
15 because I'd like to turn this back to a nationwide effort
16 rather than just a local effort, and I'd like to stop further
17 embarrassment.

18 But I will say but for your efforts and but for this
19 lawsuit, I don't believe that Treasury would be acting
20 expeditiously as they are. Now you can't say that, but I can.
21 And I think this lawsuit has caused attention to make Treasury
22 act finally, but I want to thank you for your efforts. Because
23 I think you are the driving force that made this occur and I
24 think you were ignored for a long period of time, so shame on
25 them. But I'm very glad about that.

1 Now, I want you to remain. I'm going to be relying
2 on you later today. Okay. Please.

3 **DR. HARRIS:** Could I add one more thing?

4 **THE COURT:** Go ahead.

5 **DR. HARRIS:** Because you referenced it being a
6 national effort, which it is in this case, there is also a
7 relevant statewide piece to this. The State of California
8 deserves credit. The Assembly passed a bill that would apply
9 the HUD change to other California state programs, importantly
10 such as the veterans homeless and housing prevention.

11 **THE COURT:** Excellent. I can't tell you how much I'd
12 like not to write this portion of injunctive relief.

13 **DR. HARRIS:** It's a big piece of having this
14 downstreamed.

15 **THE COURT:** How much I'd like to back out as a Court
16 and give credit to the agency for doing this and especially to
17 you, but you have to know bluntly that I don't believe that
18 this would have happened without this lawsuit and I think that
19 you were ignored and you're very much to be complimented by
20 everyone involved in this. It's appreciated.

21 **DR. HARRIS:** Okay. Thank you, sir.

22 **THE COURT:** All right. Have a seat.

23 All right. Congress, what's happening with the
24 Sherman Bill? That's been pending forever a day. Help me. In
25 other words, Congress is sitting over there doing something or

1 nothing. And so I'm going to be blunt about that also. How
2 are we doing with the Sherman Bill and do we need to get
3 Representative Lu in? Come on up, Mr. Harris, because Congress
4 has been asleep and I'll put that on the record.

5 **DR. HARRIS:** My understanding and I cannot swear that
6 this is the Sherman Bill but a bill consistent with it was
7 introduced yesterday.

8 **THE COURT:** Excellent. Now, see how things are kind
9 of coming to fruition all of a sudden. So our local
10 representative is Mr. Lu; is that correct? Is that Congressman
11 Lu out there?

12 **DR. HARRIS:** Sherman's --

13 **THE COURT:** And I'm not sure he's caught between a
14 hot box and I'll be pretty blunt today and that he's probably
15 looking at the West Homeowner's Association and he's got a
16 constituency that don't want the veterans there. And then he's
17 kind of looking at the veterans and he shows up for a shovel
18 ceremony. Why doesn't somebody get him on the phone and ask
19 him to come down here? Can you do that?

20 **UNIDENTIFIED:** Sure.

21 **THE COURT:** Okay. Get him on the phone, ask him to
22 come down here today. Let's just find out what his thoughts
23 are and how this bill is progressing so we have first-hand
24 knowledge. And I want to thank you again, Dr. Harris.

25 **UNIDENTIFIED:** Sir, is it Chad Lu or Brad Shu, which

1 one?

2 **THE COURT:** I don't know, he's in the congressional
3 district. I think it's L-E-U, I'm not sure. I looked him up
4 the other day and then forgot it, so.

5 But I'd like to get that congressional representative
6 down here. I think he's caught between the two hot boxes, one
7 is probably West LA Homeowner's Association which historically
8 and now don't want the veterans to increase capacity and
9 probably his position is hopefully a national leader and taking
10 a position one way or another on behalf of the veterans or not.
11 And that's just not a shovel ceremony that he shows up at.

12 Okay. The most difficult problem is going to be
13 these leaseholds. And I don't want to destroy facilities if
14 they can be used in a beneficial way. And so for a moment, I'm
15 just speaking, Skip, to you and to your client for a moment.
16 You've got some magnificent facilities out there but nobody
17 needs four baseball fields, period.

18 And number two, I would hope for some kind of
19 cooperation because there may be some ability to resolve this
20 but these leases are void and you're going to have to talk to
21 me today about it, exit schedule in this. Because whether it's
22 22 acres immediately which I'm frowning upon, which would leave
23 some of these facilities vacant when I may not need that land,
24 by the same token, you're welcome to address me with any
25 positive thoughts. But we are planning an exit strategy and

1 there's a number of ideas that we can come up with that might
2 maintain these facilities, maybe have the kids still
3 participating and using these facilities, but right now, the 22
4 acres are coming back to the VA. Okay. So I'll wait for your
5 comments in just a moment.

6 I want to start with parking. Is anybody here with
7 parking? All right. Now, let's start with parking. We've got
8 a whole history of corruption involving this parking lot,
9 unconnected to the present owner.

10 So we've got a VA contracting officer Ralph Gilman
11 (phonetic) who for well over a decade bilked the VA, who is an
12 innocent party to this, out of over \$13 million, minimally.

13 I'm sorry, he's the VA contracting officer.

14 **DR. HARRIS:** Tillman, Your Honor.

15 **THE COURT:** Yeah, Tillman, T-I-L-L-M-A-N I think.

16 And then we have the West Side Services' owner Richard or David
17 Richard Scott who was sentenced to 70 months by Judge Klausner
18 and restitution was ordered.

19 My comments have nothing to do with the present owner
20 who is a successor in interest, and I want that absolutely
21 clear. This parking lot is on a one year revocable lease or
22 these parking lots, I'm sorry. When does that lease run?

23 I've got the best attorneys in the world. When does
24 that lease run?

25 **MR. SILBERFELD:** Apologies, I just don't remember,

1 but I can check it out.

2 **THE COURT:** Good, look it up.

3 **MR. SILBERFELD:** I'll look it up.

4 **THE COURT:** I'm waiting, look it up.

5 **MR. ROSENBERG:** One moment, Your Honor.

6 **THE COURT:** And have you two met and conferred, the
7 plaintiff side and the defense side? I may be getting over my
8 skis, so if you two have met and conferred about this, then I'd
9 like to know what your thoughts are before I share my thoughts
10 with you.

11 **UNIDENTIFIED:** We have not.

12 **THE COURT:** Okay. Well, that's a shame. All right.

13 **MR. ROSENBERG:** Your Honor, I can -- if given a few
14 minutes I can pull up the lease --

15 **THE COURT:** Okay.

16 **MR. ROSENBERG:** -- because it was entered as an
17 exhibit.

18 **THE COURT:** We're just going to sit here. We're just
19 going to sit here.

20 **MR. ROSENBERG:** I'm sorry?

21 **THE COURT:** We're just going to sit here until I know
22 the date that the lease ends. Now, remember I may write
23 partial injunction action today, I may space that out, I may
24 write final injunctive relief today.

25 And as you're looking that up, think about the

1 following. Let's assume that the lease ended in December, well
2 even though it's void are we going to take the owner out of
3 business for one or two months? But let's assume that that
4 lease ends in March or April, why is that owner continuing to
5 pocket money on an illegal lease? And second, why can't this
6 be transferred back to the VA? Why can't we employ the same
7 veterans? And why can't we cause the VA this time not to
8 commingle the money but to set up separate accounts reportable
9 to the monitor so we know what's occurring in each of these
10 designated income streams?

11 **(Pause)**

12 **MR. ROSENBERG:** June 1st.

13 **THE COURT:** June 1st. All right. John, June 1st, so
14 you know what I'm going to do. All right.

15 This lease is void. Now that party isn't here, but
16 part of this injunctive relief and you can push back on me, and
17 that's why I'm sharing this with you that I'm going to write
18 tonight is that this is void as of now. There is no reason for
19 this owner to continue to take an income stream that properly
20 belongs to the VA and the veterans. This is illegal.

21 And so therefore, we have to discuss how we're going
22 to go about that and if you want to take that up on appeal and
23 defend the parking lot owner, be my guest. But this is void
24 and this land is full of corruption in its history, it's
25 ridiculous.

1 So it seems to me that we ought to be able to make
2 the transfer back to the VA in good faith. But this time, I'm
3 going to order injunctive relief a separate account so it's not
4 commingled, because we have a little bit of problems if you
5 look historically back in 2012 of \$40 million we couldn't find.
6 Go back in the history. And so I'm going to want to see from
7 an accounting from that particular asset into a separate
8 account and no commingled.

9 Now, push back, and tell me why you're opposed to
10 this.

11 **MR. ROSENBERG:** So Brad Rosenberg on behalf of the
12 United States. It may be more appropriate to bring one of our
13 witnesses here, but my initial reaction is, and my recollection
14 is, is that that was a net revenue lease, so that all of the
15 revenues from the lease flow to VA, not Safety Park. And so
16 voiding the lease only has to the effect of depriving VA of
17 those revenues.

18 **THE COURT:** If that's the case I just want you to
19 verify that for me. And you don't have to do that right now.

20 **MR. ROSENBERG:** Right.

21 **THE COURT:** I want certainty here.

22 **MR. ROSENBERG:** Right.

23 **THE COURT:** Because my intent is twofold. One to
24 make certain that this benefits veterans through the VA, but
25 number two to get a separate accounting stream set up so we

1 know exactly what that revenue is from that asset.

2 **MR. ROSENBERG:** I also don't know and again, I would
3 have -- this is something that the Court raised for the first
4 time today about having VA operate the parking lot itself.

5 I don't know whether VA would be in a position to do
6 that. If the lease is voided it may just be that those parking
7 lots sit empty and --

8 **THE COURT:** I'm trying to --

9 **MR. ROSENBERG:** -- there's no revenue at all.

10 **THE COURT:** -- save -- Brad, I'm trying to save
11 money. Remember, all the way along the way I'm not trying to
12 have this cost go up. If you can't do it, then you could see
13 injunctive relief where I simply have the monitor take this
14 over, then I've got to set up a separate entity, I have to take
15 some overhead for that person operating it, in other words, I'm
16 trying to avoid that. So if you can't do that, tell me,
17 because I've got another way to go.

18 **MR. ROSENBERG:** I would need to consult with VA on
19 this because I don't know what the position is.

20 **THE COURT:** Get on the phone.

21 **MR. ROSENBERG:** No, no, I would need them here.

22 **THE COURT:** Okay. Who's from the VA here? Who's my
23 head? Who's making decisions? Come on up here, so you're not
24 nameless and faceless.

25 **MR. ROSENBERG:** So in addition to the other -- in

1 addition to all of the other -- in addition to all of the
2 individuals the Court has identified, we've also brought Rob
3 Merchant here today. He's the --

4 **THE COURT:** Nice meeting you, what a pleasure.

5 **MR. ROSENBERG:** -- medical center director.

6 **THE COURT:** So you're the one who's going to make
7 decisions; is that correct?

8 **MR. MERCHANT:** Yes, Your Honor, good morning.

9 **THE COURT:** And you have direct contact with Mr. --
10 the Secretary of the Department, Mr. McDonough?

11 **MR. MERCHANT:** I can.

12 **THE COURT:** Excellent. So what are your thoughts
13 because I'm giving you a hint that I'm going to write
14 injunctive relief almost immediately about that parking lot.

15 **MR. MERCHANT:** Right. So --

16 **THE COURT:** And that parking lot stream of revenue,
17 if it's going to the owner, it's going to stop, because he is
18 making some profit no matter what you say.

19 **MR. MERCHANT:** Right. So --

20 **THE COURT:** And that stops.

21 **MR. MERCHANT:** Understood.

22 **THE COURT:** Number two, I'm trustful with you, but I
23 don't trust the past history concerning these income streams
24 that have come in, that have been commingled, and therefore,
25 I'm going to want a separate account. And if I can do that

1 economically through the VA I'm going to trust you to do that,
2 make a reporting back on the separate account to the monitor,
3 but any remuneration going to this owner has to end
4 immediately. Now, help me. How do we do that cost
5 effectively?

6 **MR. MERCHANT:** So under the current terms of the
7 lease or the terms as they existed when signed --

8 **THE COURT:** You don't have a lease right now, it's
9 illegal. It's gone.

10 **MR. MERCHANT:** Right. That's why I said --

11 **THE COURT:** Let's get past that.

12 **MR. MERCHANT:** -- under the terms when signed.

13 So the revenue from that comes into what we call a
14 fund control point, which is essentially an accounting cost
15 center within our healthcare systems operating projects.

16 **THE COURT:** And you're about to change that because
17 we've been commingling these streams and that injunctive relief
18 hint is going to be that this is a separate accountable stream
19 so I can keep track of it.

20 **MR. MERCHANT:** Yes, we will make sure that that is --

21 **THE COURT:** How are we going to accomplish that
22 without running up the special monitor having to hire somebody?

23 **MR. MERCHANT:** So if we can establish a separate --

24 **THE COURT:** How are we going to --

25 **MR. MERCHANT:** -- what we call a fund control point

1 specifically --

2 **THE COURT:** How are we going to --

3 **MR. MERCHANT:** -- for this.

4 **THE COURT:** How are we going to accomplish this? How
5 are we going to accomplish this? Tell me.

6 **MR. MERCHANT:** That can be done through an
7 administrative process through our chief financial officer in
8 our finance department within our healthcare system.

9 **THE COURT:** So you don't have the authority to make
10 that and you've got to make a call and that's fine.

11 **MR. MERCHANT:** No, I have the authority to do that,
12 yes.

13 **THE COURT:** Okay. Well, can we do that then?

14 **MR. MERCHANT:** Yes, we can do that.

15 **THE COURT:** So, one, can we set up cutting off this
16 owner from any compensation? In other words, I hear how the
17 lease is working, I'm not that smart. My bottom line is that
18 owner shouldn't be receiving any compensation, any overhead
19 from this point forward, period. Can we do that?

20 **MR. MERCHANT:** I will need to -- we will need to
21 review the terms of the former lease.

22 **THE COURT:** No, your lease is void, it's gone.

23 **MR. MERCHANT:** That's -- right.

24 **THE COURT:** In other words, get past that, you don't
25 have a lease. Can we do that? And who's going to notify this

1 owner to cut this stream off immediately?

2 **MR. MERCHANT:** So we'll have to work through our
3 contracting office which is --

4 **THE COURT:** And how long is that going to take,
5 because I'm going to be sitting here waiting.

6 **MR. MERCHANT:** Yep, we can do that, we can start that
7 process today.

8 **THE COURT:** Okay. Then I'm going to sit here
9 apparently until we get that done and so are you.

10 **MR. MERCHANT:** Okay.

11 **THE COURT:** We're not going to wait for a month.

12 Number two, I'm going to trust the VA to set up a
13 separate, you know, account for this or I'm going to have to
14 have my monitor do that and that gets costly. I'd rather have
15 you do that and trust that you can do this and is there any
16 objection to setting up a separate account rather than
17 commingling these funds?

18 **MR. MERCHANT:** No. We have no objection to that,
19 Your Honor.

20 **THE COURT:** Okay. So that's the easy one. How long
21 would it take you to get in contact with somebody because I
22 want this income stream stopped today? I think we can retain
23 our veterans working at that location. But I don't want him
24 profiting anymore. This lease is gone.

25 **MR. MERCHANT:** One moment, Your Honor.

1 **THE COURT:** Now, John, jump in at any time because
2 you're going to be the Marine on the firing line. The special
3 master is going to give us his thoughts also because I now have
4 help finally, so thank you.

5 **MR. HUESTON:** Thank you, Your Honor. My question
6 would be the news going to the parking lot owner, there's no
7 revenue to you. I assume parking lot owner says, I'm not going
8 to operate the parking lot any longer, in which case what would
9 the VA do.

10 **MR. MERCHANT:** Prior to VA entering into this lease
11 agreement, there were no gate controls on the parking lots and
12 parking was free and available to anyone who needed a place to
13 park. They were otherwise unmonitored.

14 **MR. HUESTON:** Right. But now you have the
15 infrastructure of a paid parking lot, which presumably the VA
16 could run or a third party could be put in place, which would
17 not take the revenue that the parking lot company has, devoting
18 more of the net stream to the VA. The other alternative to
19 generate income, right?

20 **MR. MERCHANT:** It could be, yes.

21 **THE COURT:** I'd like not to create through the
22 monitor a separate operation independent of the VA because it
23 costs money. So I'm hoping I can work through the VA, get that
24 revenue segmented so we know what it is and keep track of it so
25 it's not commingled. That's the ultimate goal today.

1 **MR. MERCHANT:** Okay.

2 **THE COURT:** Now, do you have questions of me because
3 I've cut you off and I want to apologize.

4 **MR. MERCHANT:** That's quite all right, Your Honor. I
5 think we'll need to have some discussions about how that
6 actually looks, what it would take to be able to operate that,
7 and still derive revenue from it.

8 **THE COURT:** So how long am I sitting here in
9 continuous session then? You know, when we say discussions,
10 you're no longer in a cork that's run by bureaucratic time.
11 Right now we're going to do this.

12 **MR. MERCHANT:** Right.

13 **THE COURT:** And we're asking our military folks to do
14 incredible things, you can do incredible things.

15 **MR. MERCHANT:** No, I understand that. Chelsea.

16 **MS. BLACK:** So the vendor who runs the parking lot,
17 when they get the gross receipts in from those -- from the
18 folks that park there, they subtract out the operating expenses
19 and that's the salaries that go to the veterans that are being
20 employed there.

21 **THE COURT:** Sure.

22 **MS. BLACK:** What comes down to it is a \$2,500
23 management fee --

24 **THE COURT:** He gets \$2,500, the owner --

25 **MS. BLACK:** -- and the vendor gets --

1 **THE COURT:** -- does?

2 **MS. BLACK:** Correct.

3 **THE COURT:** For a management fee?

4 **MS. BLACK:** Correct.

5 **THE COURT:** I've been out there. Do you know how
6 management that must -- I'm just joking with you, never mind.

7 **MS. BLACK:** So that's what it comes down to.

8 **THE COURT:** So is his total profit \$2,500 a month?

9 **MS. BLACK:** That is a management fee. That's in the
10 lease.

11 **THE COURT:** I know, that's not my question. Is he --
12 I can designate that and put a name on it, that's my management
13 fee. That's not my question. How much is he taking in a month
14 as the owner? I don't care whether you call it a management
15 fee or a whatever fee. I guarantee it's more than \$2,500 a
16 month.

17 **MS. BLACK:** Per the non-existent lease, that's what
18 it was.

19 **THE COURT:** Remember Mr. Tillman \$4 million. So at
20 one time that parking lot was pretty lucrative, which is why
21 I'm having a hard time believing \$2,500 a month is what he is
22 taking in.

23 **MS. BLACK:** Well, the gross receipts are around 60 to
24 70,000 a month.

25 **THE COURT:** No, no, you're not there, you're not the

1 owner. My message is clear, this lease is gone. And I don't
2 want him taking in any more money. And that needs to be
3 forthwith and I'm going to sit here until that's done. So you
4 come up with a plan, I'll work with you, if you want to come
5 back at 9 o'clock tonight I don't care, tomorrow, fine. Okay?

6 **MR. ROSENBERG:** I would like to add something. You
7 know, the record reflects the terms of the lease that it's a
8 net revenue lease to the VA.

9 **THE COURT:** Okay. Thank you.

10 **MR. ROSENBERG:** Understood that the Court has voided
11 this lease as of today and so the VA will take action on that.
12 As for --

13 **THE COURT:** I haven't written --

14 **MR. ROSENBERG:** -- as far --

15 **THE COURT:** Just a moment. I haven't written that in
16 final writing yet. In other words, I'm giving everybody a
17 chance to push back. I voided the lease, but I haven't gotten
18 as far as our discussion today about what to do with the money.

19 **MR. ROSENBERG:** Well let me push back then for just a
20 moment because the Court referenced -- I'll be blunt, a prior
21 scandal regarding that parking lot.

22 **THE COURT:** Uh-huh.

23 **MR. ROSENBERG:** But with a different owner or a
24 different lessee, under a different lease. That's not the
25 lease that's at issue here. And so I think it's fair to

1 presume that VA in responding to that issue, and which it was a
2 victim, took steps to ensure that something like that wouldn't
3 happen again. And that's presumably why it's a net revenue
4 lease.

5 **THE COURT:** Okay.

6 **MR. ROSENBERG:** Also in terms -- the Court asked
7 about what will happen next. The VA is not in a position or I
8 don't believe that it's in a position to manage a parking lot
9 directly.

10 **THE COURT:** Okay.

11 **MR. ROSENBERG:** And you mentioned the employees.
12 They're Safety Park employees. I don't believe that the VA
13 would have the ability to bring those veteran employees on
14 board as VA employees. We don't even know if they would want
15 to.

16 **THE COURT:** So, Mr. Hueston, just a moment. That
17 means that apparently we may be running a parking lot. Now
18 that gets costly because remember we're trying to hold our
19 costs down, John's working pro bono, so that's your position,
20 you know the injunctive relief I may be writing, you can take
21 that up on appeal. But the end result is there's no reason
22 with a void and illegal lease that this owner continues to
23 profit and you'll say he's innocent, I say he's innocent also,
24 but this is the VA's problem.

25 **MR. ROSENBERG:** No, I understood that the Court has

1 voided the lease. The question is what happens next and in
2 terms of what at least we understand the Court would like to
3 accomplish in these proceedings is to try to maximize the
4 benefit --

5 **THE COURT:** To the veterans.

6 **MR. ROSENBERG:** -- for veterans. I think everyone is
7 on the same page in that regard. But voiding the lease without
8 the ability to come up with an alternative plan for how that --
9 whether there will be any revenue or what that would look like
10 would not benefit veterans and there are structural problems
11 that VA would likely face in taking on management
12 responsibilities that are outside of its wheelhouse, it's a
13 healthcare agency at its core, not a parking agency.

14 And so we would caution the Court that entering
15 further -- we don't -- to be clear, we don't think that there's
16 a basis --

17 **THE COURT:** All right. Wouldn't you face this same
18 problem if we just let the lease run? In other words, the
19 arguments you're proposing to me now would be the same in July
20 when this lease runs and that is the VA is not capable of
21 running a parking lot.

22 In other words, I'm going to face this in July if I
23 just let the lease run and if your position is you can't run a
24 parking lot, you've put me in a box, and the box is, this
25 owner, at some point, whether it's in July or now, is going to

1 cease taking in revenue that belongs to the veterans. And if
2 you can't run it, then I've got to turn to Mr. Hueston and I've
3 got to create an entity to run that and I've got to charge
4 \$2,500 a month to somebody or whatever for an administrative
5 fee and I'd rather this be going to the veterans.

6 So if you can't do that, tell me this afternoon and
7 I'll know what to write.

8 **MR. ROSENBERG:** Okay. Understood.

9 **THE COURT:** Okay. Bridgeland, you have a 1956 lease
10 and you have ten well sites that go down -- or drills, and I
11 get my terminology backwards, I'm not an oil person. I love
12 the gentleman by the way who -- Fat Hog (phonetic), whatever
13 that --

14 **UNIDENTIFIED:** That's Mr. Wangled (phonetic).

15 **THE COURT:** That goes down to subterranean I think
16 761 acres, subterranean out of your acre and a half drill site
17 and I could be off a couple of --

18 **UNIDENTIFIED:** Between the 1956 lease and the 1969
19 lease. The 1956 lease is 670 acres.

20 **THE COURT:** Okay. Not 700, 670 acres, okay.

21 The later lease allows you to, I'm going to use the
22 word slant drill, and you can argue with me about my
23 terminology, give me another term.

24 **UNIDENTIFIED:** No. So, no, the later lease gives us
25 additional federal minerals to drill and it allows -- it does

1 allow us to drill those federal minerals from the current drill
2 site that is --

3 **THE COURT:** I understand that. You can correct my
4 terminology. We can be here all day if you want to.

5 **UNIDENTIFIED:** Yes.

6 **THE COURT:** I can swap out Sawtel 2 (phonetic),
7 fourth well over, fourth drill site over.

8 **UNIDENTIFIED:** The 2016 license. Revoke the license
9 is for Sawtel 2.

10 **THE COURT:** I don't care what we call it, I'm going
11 to call it Sawtel 2.

12 **UNIDENTIFIED:** Yes.

13 **THE COURT:** And that allows you to slant drill.

14 **UNIDENTIFIED:** Yes.

15 **THE COURT:** You've really said to the Court well,
16 gee, Judge, even if you rule against us we can got over to BLM
17 and we might be able to renegotiate a new lease.

18 **UNIDENTIFIED:** Not exactly.

19 **THE COURT:** I heard that very clearly.

20 **UNIDENTIFIED:** That's not the exact terminology.
21 There is the potential to unitize.

22 **THE COURT:** Why shouldn't I have and order BLM to be
23 intervened in this case? In other words, what's really
24 happening here is if I terminate Sawtel 2, which is about 42
25 percent of your profit to 44 percent and were you to cap that

1 well, you still a 1956 lease that you've repeatedly said to the
2 Court that I don't have jurisdiction over. You're right.

3 But I also know that that's a field that's drying up,
4 maybe in one year, maybe in 20 years. And for the life of me,
5 I'll say to the VA, I don't understand the settlement between
6 you and the plaintiff bluntly, and I don't understand how we
7 could ever get to the position with this later generation who's
8 suffering from burn pit, lung disease, much greater than
9 Vietnam and I don't understand how we're dealing with deadly
10 and hazardous munitions that are much more potent than the
11 Vietnam era, how would we ever allow housing in an acre and a
12 half contiguous to an oil well?

13 And maybe BLM is going to vouch for this, but I would
14 love to get them in here and have them explain to me, and this
15 has nothing to do with you, I would love to have them explain
16 to me how they can justify that with veterans who have health
17 issues.

18 So your prior position was, Judge, basically, in so
19 many words, go fly a kite, because we can get around you and go
20 to the BLM and I'd love to get the BLM in here to explain to us
21 how they can justify this.

22 Now you have rights to that land, but I have rights
23 to stop your lease on Sawtel 2. Why shouldn't I terminate that
24 lease forthwith?

25 **UNIDENTIFIED:** So let me provide some clarification

1 on all of this. What was noted at trial is that there's a
2 possibility to unitize through a BLM process, to unitize the
3 private leases that are where the Sawtel 2 well is bottom holed
4 with the 1956 lease. There's a process in the federal Code of
5 Regulations that allows the BLM to kind of create one lease
6 between these new risk leases.

7 Doing so would then give a royalty, would split the
8 royalty between both the private lessees or lessors, the
9 private mineral owners and the BLM. We have not had that
10 process happen, so you know, I guess if the Court wanted to
11 intervene the BLM in here and order that that would not be
12 proper, it could.

13 But let me be clear, the acre and a half has
14 nothing -- the unused acre and a half that we were willing to
15 give for housing which we hear Your Honor loud and clear should
16 not be used for housing, has nothing to do with the 2016
17 revocable license. That land was granted through the 19 --
18 well, initially granted north of Constitution Avenue through
19 the 1969 BLM lease and then replaced with this additional acre
20 and a half contiguous with the current drill site when the VA
21 wanted to put the column there north of Constitution.

22 Now, I understand that you didn't like our last
23 settlement agreement.

24 **THE COURT:** I'm sorry, I didn't hear you.

25 **UNIDENTIFIED:** And I have -- I understand that you

1 had numerous issues with out last settlement agreement.

2 **THE COURT:** No.

3 **UNIDENTIFIED:** I know that you didn't specifically
4 rule on it, but you gave us your preliminary comments on it and
5 we withdrew the motion.

6 Since that time and during the trial, we have had
7 additional communications regarding a new settlement agreement.
8 I talked to Mr. Silberfeld about this --

9 **THE COURT:** Just share this with me.

10 **UNIDENTIFIED:** I'm willing to share this, we were
11 planning on talking to Mr. Hueston about this after the
12 hearing.

13 **THE COURT:** No, talk to me openly I want this
14 transparent now. What's this new settlement?

15 **UNIDENTIFIED:** So the new settlement would require us
16 to quit claim the acre and a half, require the VA to designate
17 a new site on the campus, away from the oil field of similar
18 size for supportive housing and it would increase the royalty
19 more than what the prior royalty increase did.

20 Mr. Kolcarney (phonetic) during his testimony noted
21 that Bridgeland doesn't make money if oil is below \$65. So we
22 have the two and a half percent royalty continue when oil is
23 below \$65. When it goes between 64 to a hundred, it's
24 increased to 3 and a half and that's over all of the wells, so
25 it's really more like if it was just on Sawtel 2, it'd be more

1 like a 5 percent royalty.

2 When it goes over a hundred --

3 **THE COURT:** Did you just say 51 percent royalty?

4 **UNIDENTIFIED:** No. I said it would go up to 3.5
5 percent.

6 **THE COURT:** Oh, I thought you said 51 percent.

7 **UNIDENTIFIED:** No, no, no.

8 **THE COURT:** Oh, you didn't say that? Okay.

9 **UNIDENTIFIED:** I did not say 51 percent, but it is
10 more than 51 percent of the net revenue depending on what the
11 price of oil is. It's very hard to talk about gross to net in
12 the same way. I understand that you think that 51 percent of
13 the gross proceeds should be going to the veterans for this
14 pass through.

15 **THE COURT:** I didn't say that, I hinted that, but I
16 didn't say that.

17 **UNIDENTIFIED:** Okay. You hinted that then. And
18 realistically, 51 percent of the gross revenue just goes to
19 operational costs. I mean, no one's getting that much profit
20 off of these wells.

21 **THE COURT:** Nonsense.

22 **UNIDENTIFIED:** Mr. Kolcarney explained when oil is
23 below \$65, Bridgeland gets nothing. They lose money on every
24 barrel of oil that comes out of the ground.

25 **THE COURT:** We're going to close down the wells.

1 **UNIDENTIFIED:** Currently Sawtel 2 is not produce
2 since your ordered happened.

3 **THE COURT:** We'll close it down.

4 **UNIDENTIFIED:** We'd like to try to reach an agreement
5 with the plaintiffs to give additional land on the VA campus
6 for supportive housing.

7 **THE COURT:** My concern to all of you and hear me very
8 clearly about this, if I allowed this kind of agreement, the
9 company could slant drill in perpetuity --

10 **UNIDENTIFIED:** We can agree not to --

11 **THE COURT:** No, just a moment.

12 **UNIDENTIFIED:** -- drill more.

13 **THE COURT:** They could drill in perpetuity, that
14 means they can put down another slant drill any place they want
15 to as long as these leases are extended. If the goal is to get
16 our veterans away from hazardous issues, why would the Court
17 ever accept that?

18 Now, I don't have any control over the ten drill
19 sites going down, I understand that, but I do know that at some
20 point those sites are going to become uneconomical in a year or
21 20 years or 30 years. And I understand that back in the old
22 days that might have worked, but we have a whole new generation
23 of veterans that you should be taking into account, who have
24 much different lung issues than the veterans from Vietnam or
25 Korea or World War II. Because these are extraordinary

1 hazardous conditions and the burn pit conditions for these
2 veterans are extraordinarily hazardous.

3 So the needs have changed. Now, I respect your right
4 to have the ten drill sites, but I'm prepared to cap your
5 Sawtel 2 because I don't want you to have in perpetuity or one
6 day later if I can avoid it, the ability to slant drill. So
7 your response, because I'm prepared to cap this.

8 **UNIDENTIFIED:** We can agree not to drill anymore
9 wells on the entire drill site if that's what you want.

10 **THE COURT:** No, it's not anymore wells, it's Sawtel
11 2. That's what I've got control over.

12 **UNIDENTIFIED:** Right.

13 **THE COURT:** Now, you're going to push back and saw is
14 the VA in a moment and they're going to probably defend this,
15 but you tell me why I shouldn't cap that well forthwith?

16 **UNIDENTIFIED:** If we cap that well, the veterans are
17 not going to be receiving the acre and a half of additional
18 land on the VA for supportive housing and they're not going to
19 be receiving the revenue stream that they were previously
20 receiving earlier.

21 **THE COURT:** From what you offered me before on that
22 acre and a half, it's not habitable. I have no idea what the
23 pollution is next to those wells, as probably the last piece of
24 property because of its condition that would ever be considered
25 by Mr. Johnson and Mr. Soboroff and this Court or the special

1 master which may be 20 or 30 years from now. I don't even know
2 that I'd let a dog walk on it right now.

3 **UNIDENTIFIED:** Well, Your Honor, that's why the VA
4 agreed to designate a --

5 **THE COURT:** Well, let's get the VA up here, let's see
6 if they're going to defend your position concerning this oil.

7 **MR. ROSENBERG:** Two points that I can think of, Your
8 Honor. Number one, I'm brought back to the analogy that I used
9 at trial that I think only I appreciate it, which was the
10 traffic jammed in, in that one of VA's challenges is that there
11 are on the campus, uses for most of the land, and to find land
12 that can be developed for housing may require one of those uses
13 to go somewhere else.

14 And so one of the benefits of the revised settlement
15 agreement and it was also in the initial settlement agreement
16 that VA saw was the ability to shift something like parking,
17 for example, to the location that Bridgeland would quit claim
18 back to VA, thus opening up that parking space for development
19 of housing.

20 **THE COURT:** Now, just a moment. Let's just pause
21 that.

22 **(Pause)**

23 **THE COURT:** What acre and a half are you proposing to
24 exchange?

25 **MR. ROSENBERG:** There wasn't a specific acre and a

1 half. The idea is that in order for VA to access the acre and
2 a half that's being quit claimed, VA would first need to
3 identify a comparably sized parcel on the campus that's
4 developable. And that could be part of this process that we're
5 going to be engaging in here.

6 **THE COURT:** All right. If you'd like to, you can
7 meet and confer with the special master today, but right now,
8 tentatively, I'm going to write injunctive relief capping
9 Sawtel 2. If you can persuade me later this afternoon and
10 we'll have a hearing on that, so be it.

11 Number two, I'm not too concerned about this revenue
12 stream. It's bounced all the way from 65,000 to 125,000. I
13 think the health and benefits by comparison is much more
14 important.

15 Number three, what you're offering me now is a, let's
16 say inspiration. I don't hear the specific piece of property.
17 I don't know what is going to be traded and I will say to the
18 plaintiffs, tread very carefully with the Court on this if
19 you're entering into this type of agreement. I don't mean to
20 embarrass you, but hear me loud and clear, these veterans are
21 not going to be at or near an oilwell.

22 So if you continue with this, so be it, I'll listen
23 to it in good faith, but right now I'm going to be prepared to
24 write injunctive relief tonight that's going to cap this
25 oilwell. Okay. And you can take that up on appeal along with

1 the VA.

2 All right. Now, let me pay courteously to -- first
3 of all, sir, I appreciate you being here. And, Mr. Miller, I
4 appreciate you being here.

5 **MR. MILLER:** Yes, Your Honor.

6 **THE COURT:** Have this gentleman come up with you.
7 There's no reason he shouldn't come up. And also, the
8 wonderful lady, she was with me out at Brentwood. I want to
9 have you come up.

10 **MR. MILLER:** Yes.

11 **THE COURT:** First of all, you should know that her
12 son graduated from West Point and I really appreciate you being
13 here.

14 Mr. Miller, do you have any comments before I --

15 **MR. MILLER:** I do, Your Honor. We thought about this
16 a lot. Obviously we read the order, this is very, very
17 important to the school. Read the order, we brainstormed,
18 we're looking for what I'll call for lack of a better word, a
19 win/win for the veterans.

20 Your Honor toured the facilities, saw the veterans
21 using the facility. We want to make it better. What we'd like
22 to do and what I would suggest is that we sit down with
23 Mr. Hueston outside, you know, maybe in the cafeteria, have a
24 meeting and go back and forth because we have a lot of ideas
25 that we think are viable and that would be positive and well

1 received by the Court and well received by the veterans.

2 **THE COURT:** I'll leave that to you and Mr. Hueston.
3 I'll give you some initial thoughts but I'm not dogmatic about
4 this.

5 I don't want this to be like Vietnam where you
6 destroy it to save it. You've got some wonderful facilities
7 out there.

8 **MR. MILLER:** Yes.

9 **THE COURT:** I certainly don't want to put sand in the
10 swimming pool, okay. You've got tennis courts out there, for
11 the life of me, I'm going to chide you a little bit, but nobody
12 needs four baseball fields and you can call that a soccer field
13 and a softball field, but you've got four baseball fields out
14 there.

15 I want you to look at this map for a second. And,
16 counsel, you can put up 248. Now, this is a poor map that we
17 are working off of, but I want you to look at the parcel number
18 9, it's just above the track. Skip, have you been out there at
19 all, have you walked that?

20 **MR. MILLER:** Yes, yes, I toured it.

21 **THE COURT:** Okay. You've seen that?

22 **MR. MILLER:** Yes.

23 **THE COURT:** From this Court's perspective, that has
24 the infrastructure from the school, it's about 8 to 9 acres.
25 If I take Mr. Soboroff's single story at 40 times 9, what's

1 that, Skip? 360? Excellent.

2 **MR. MILLER:** 360.

3 **THE COURT:** And if I double story that and I go 80
4 per acre, what's that, 720?

5 **MR. MILLER:** Yes.

6 **THE COURT:** Excellent. That box alone can take,
7 depending on Mr. Soboroff and Mr. Johnson's wisdom, a little
8 more or less than 700 units itself. Now, Mr. Johnson, come on
9 up for a moment, check my math. And I'm going to take 9 acres
10 out there, maybe 7, so I'm not over counting. So let's just be
11 cautious and say 7 acres.

12 **MR. JOHNSON:** 7 acres of permanent supportive
13 housing?

14 **THE COURT:** Permanent supportive housing.

15 **MR. JOHNSON:** Yeah, so we were in the either there
16 levels or --

17 **THE COURT:** No, we're still in two.

18 **MR. JOHNSON:** Two levels we could probably get 40 per
19 acre.

20 **MR. MILLER:** It's 4.8 acres.

21 **THE COURT:** Say again?

22 **MR. MILLER:** It's not 7, Your Honor.

23 **MR. JOHNSON:** It is, it's 4.8.

24 **MR. MILLER:** 4.8.

25 **THE COURT:** 4.8. So let's --

1 **UNIDENTIFIED:** That parcel did not include the
2 swimming pool.

3 **THE COURT:** Just a moment. Let's reduce it to 4
4 because -- let me double-check.

5 Yeah, let's just reduce it, so let's be cautious, not
6 4.8, 4. Now, let's take two stories.

7 **MR. JOHNSON:** 160 units.

8 **THE COURT:** Okay. At 40 per acre times 4 if they're
9 single story, if they're double story, what's that, 320?

10 **MR. JOHNSON:** No, no, no. We didn't have any single
11 level permanent supportive.

12 **THE COURT:** All right. We're going to take double
13 story --

14 **MR. JOHNSON:** Double story was 40.

15 **THE COURT:** No, you told me single story was 40 per
16 acre last time. I'll get the record out for you.

17 **MR. JOHNSON:** Okay. The single level --

18 **THE COURT:** It's not 20 per acre, go back and look at
19 your record.

20 **MR. JOHNSON:** I will.

21 **THE COURT:** It was never 20 per acre single story.
22 You started with 40, and we got down to 30 at one point.

23 **MR. JOHNSON:** Your Honor, I think the purpose of
24 supportive housing we were just talking about was three story,
25 two story, like that.

1 **THE COURT:** Okay. Now --

2 **MR. JOHNSON:** Right?

3 **THE COURT:** -- I'll just take whatever figures you
4 want to propose today and accept those.

5 **MR. JOHNSON:** All right.

6 **THE COURT:** 20 per acre?

7 **MR. JOHNSON:** For a single story.

8 **THE COURT:** For a single story. So I have 20
9 times --

10 **MR. MILLER:** It's a hundred.

11 **THE COURT:** Double that, 160, right? Okay.

12 What we're in is a box, because as you take other
13 options away from me like that park that Mr. Soboroff tried to
14 defend, or you take UCLA's baseball diamond away from me, or
15 you tell me all of these problems that we've got, it leaves me
16 no place else to go.

17 And regardless of any negotiations going on, that is
18 a primary piece of property that I want public supportive
19 housing on. Now --

20 **UNIDENTIFIED:** We want permanent supportive --

21 **THE COURT:** -- for the school, you're not going to
22 exist in your present configuration, no matter what
23 negotiations you enter into. And I'm just curious if you're
24 really the patriots I believe that you are. Now, this is the
25 Rick Caruso pool, right?

1 **MR. JOHNSON:** Caruso.

2 **THE COURT:** Two outstanding patriotic people, right?
3 I bet you if Rick was down here, he'd donate that to us. Let
4 me say that again. I think that's a quality of a person, and I
5 think he'd come down here and say you know what, instead of
6 that judge taking it from me, I'm the kind of civic minded
7 person that would like to donate that to us.

8 Skip, what do you think? Why don't we call him?

9 **MR. MILLER:** I don't want to speak for Mr. Caruso --

10 **THE COURT:** No, just a moment. Why don't we call
11 him? It's named after him, it's named after Mr. Watt.

12 **MR. MILLER:** Watt and Caruso, yeah.

13 **THE COURT:** Yeah. I really bet that he's the kind of
14 public servant who would come down here because he cares about
15 veterans and I bet you if he was asked, he would probably
16 donate that 3 and a half million dollars.

17 **MR. MILLER:** We all care about veterans.

18 **THE COURT:** Sure.

19 **MR. MILLER:** He does, I'm sure he does, and I do, and
20 everybody in this room does.

21 **THE COURT:** Good. Now, why don't we call him. Call
22 Rick up.

23 **MR. SOBOROFF:** Judge, can I make a clarification?

24 **THE COURT:** No.

25 **MR. SOBOROFF:** To talk about --

1 **THE COURT:** No, you can't, Mr. Soboroff, I've got all
2 day and all night. I'm just going to humbly ask you to call
3 him. I've got his phone number by the way. I've talked to
4 him, not about this, I think we've got a quality person out
5 there. Now, you don't have to, I have no jurisdiction, but I'm
6 waiting and I'm just requesting that he come down and see if he
7 wants to donate this, along with Mr. Watt.

8 **MR. MILLER:** We want to do a lot more than a swimming
9 pool.

10 **THE COURT:** Oh, I know that. We're starting that.
11 In other words, I'd like to preserve this pool, maybe there's
12 something we can work out for the veterans, because remember
13 the school and UCLA were never generous to the veterans. They
14 shut them out during COVID.

15 I bet you if we talk to those veterans that they're
16 willing to work with these school kids and maybe they're
17 willing to work half a day, but not skip from 5:30 to 7:30 with
18 no transportation and you say that there's veterans out there,
19 there's very few of them out there and what they have to do is
20 go up by truck and they don't have any public transportation
21 between 5 and 7:30, so I've got amputees walking up the road
22 and people in wheelchairs and pretty soon, this is going to go
23 from 233 up in number. I would love to see these facilities
24 used.

25 **MR. MILLER:** Yeah. And that's -- what you just said,

1 Your Honor, is going to get fixed. That's going to get fixed.

2 **THE COURT:** Okay. I'm waiting for you. In other
3 words, come back with something positive that we can work
4 with --

5 **MR. MILLER:** Yes.

6 **THE COURT:** -- because I don't want to fill it in
7 with sand. Skip, I will fill this in with sand, if I have to
8 if you put me in a box. So I think that this can be donated.
9 I think Rick would go along with that quite frankly, I think
10 all it needs is a phone call. And I think Watt would go along
11 with that also.

12 And then I think we could go to the veterans in good
13 faith once we have that, because it's already null and void.
14 I've got two ways of doing this, the hard way, take it up on
15 appeal, or the good way. And the good way is you should be
16 donating this to the veterans period.

17 Now, how we operate that could be worked out. Maybe
18 your school keeps the upkeep, maybe we take that off of the --
19 you know, see what I mean? Maybe we work this out with the
20 school kids so it's half a day. The veterans are going to have
21 a significant part of this including the weekend, right now
22 it's ridiculous having it 7:30 to -- or 5:30 to 7:30 and it's
23 ridiculous having it during the weekend hours.

24 So if you put me a box, this is null and void and
25 I'll take your 22 acres. Am I clear?

1 **MR. MILLER:** That's not where we're coming from to
2 put Your Honor in a box.

3 **THE COURT:** I don't think you are either. So come up
4 with me, ask Rick to come down, place a call, that's a request.
5 I've got his number if you want. You want it?

6 **MR. MILLER:** I've got the person here and --

7 **THE COURT:** All right. I'm waiting for a decision
8 from the Board, but I think he should be included. His name's
9 on it, out of courtesy, and I'll leave that to you.

10 **MR. MILLER:** Sure, we'll include him, of course.

11 **THE COURT:** And you take that up with the special
12 master.

13 **MR. MILLER:** Yeah, we want to sit down with
14 Mr. Hueston and we want to --

15 **THE COURT:** We're going to do that today.

16 **MR. MILLER:** -- brainstorm this through.

17 **THE COURT:** We're not doing that tomorrow. And I'm
18 requesting --

19 **MR. MILLER:** Fine.

20 **THE COURT:** -- you bring down Mr. Caruso and if you
21 don't want to, fine. But if you don't, come up with something
22 positive, that 22 acres is null and void. Am I clear?

23 **MR. MILLER:** Clear. Crystal clear.

24 **THE COURT:** Okay. Now, you can take that up on
25 appeal. I don't want to destroy it, but if you put me in a

1 box, I'll take that 22 acres forthwith.

2 **MR. MILLER:** Yes, Your Honor, I understand what the
3 Court's --

4 **THE COURT:** Am I clear?

5 **MR. MILLER:** -- saying.

6 **THE COURT:** Okay. Thank you very much.

7 **MR. MILLER:** We hear the Court loud and clear.

8 **THE COURT:** Have that discussion with Mr. Hueston.
9 All right. Well, Brent -- UCLA, how are we doing
10 with the Chancellor?

11 **MR. CARDOZO:** We're finding out if he's available.

12 **THE COURT:** Come on up, I can't hear you.

13 **MR. CARDOZO:** We're finding out if he's available by
14 7 p.m. tonight, but if he's not, someone who is authorized
15 to --

16 **THE COURT:** No, no, I want the chancellor. Remember,
17 this made it --

18 **MR. CARDOZO:** Okay.

19 **THE COURT:** -- all the way to the chancellor's door
20 hypothetically. Let me retrace the findings of fact in this.
21 I've got somebody over at the VA, Kendrick, calling to somebody
22 in the VA, saying you know there's a FOIA request out there and
23 we don't want those veterans to know about the new field,
24 because they might be opposed to it.

25 So then the VA calls over to UCLA athletic department

1 and gets an absolutely honest good employee. That employee
2 receives this call and he talks to the UCLA athletic director.
3 Now, subsequently he's called back in because none of us have
4 asked him the critical question, well, what was the further
5 conversation that you might have had and we find out that
6 UCLA's strategic department, the communications department,
7 there's 8 to 12 people on the line and guess who else. Chief
8 of staff for the chancellor.

9 Now, I can imagine how many times we have the chief
10 of the staff for the chancellor on a phone call with some
11 middle person in the UCLA athletic department. Do you think
12 the chancellor might have known?

13 Counsel, what's your impression? Does the chief of
14 staff normally get on these phone calls, counsel?

15 **MR. CARDOZO:** I actually have no idea, Your Honor.
16 The chief of --

17 **THE COURT:** Well, my guess is, that I haven't made of
18 finding of that because I don't want to lay out Gene Block
19 (phonetic) right now but I'm being pretty blunt about this, we
20 normally don't have the chief of staff for the chancellor on a
21 phone call with a strategic and communications department
22 unless hypothetically maybe the chancellor knew.

23 **MR. CARDOZO:** I can't comment on that.

24 **THE COURT:** I'm going to keep and -- the chancellor
25 down here and sit here until he gets here.

1 **MR. CARDOZO:** Understood.

2 **THE COURT:** Now how long I sit here is up to you.

3 **MR. CARDOZO:** I can only tell you --

4 **THE COURT:** I can only tell you.

5 **MR. CARDOZO:** -- I've made the call.

6 **THE COURT:** I can only tell you. I'm sitting here.
7 Am I clear? We're not going to dance around now for another
8 week or another month, I want to get his impressions and if he
9 doesn't care, here's what I'm going to do. I'm going to order
10 the security of the VA to cordon off that baseball field as of
11 today.

12 **MR. CARDOZO:** Understood.

13 **THE COURT:** Understood?

14 **MR. CARDOZO:** Uh-huh.

15 **THE COURT:** And then when he comes down here maybe we
16 can have that discussion. Do you think that might get his
17 attention? Do it the easy way or the hard way.

18 **MR. CARDOZO:** You have his attention.

19 **THE COURT:** It's up to you, counsel.

20 **MR. CARDOZO:** You have his attention, Your Honor.

21 **THE COURT:** No, I don't, he's not here.

22 I'll leave that to you.

23 **MR. CARDOZO:** Understood.

24 **THE COURT:** I'm sitting here waiting.

25 Now, I'm going to take a recess in just a moment.

1 You're going to start talking to Mr. Hueston, you're going to
2 start talking with Mr. Johnson, Mr. Soboroff and where's
3 Mr. Kuhn? I need his help also. I desperately need your help
4 and I know you have an opposite viewpoint, come up, and I know
5 that you think that this is a disaster, so let me talk to you
6 about that because I want you pushing back at all times. In
7 other words, I don't want you to be chilled in any way, but you
8 know the decisions I've made.

9 I'm concerned about the following. I order 750
10 temporary housing units and nobody comes. We've created this
11 village where we haven't attracted veterans. That's why the
12 town center is important, but I don't think the town center can
13 be built within 18 months to attract veterans.

14 But I was out at the golf course, so I guarantee you
15 veterans are attracted to that golf course out there, might
16 have a swimming pool, depending upon how patriotic we are over
17 at Brentwood School. Might even have some tennis courts.
18 Might even have a track and might have a weightlifting facility
19 that we don't have to duplicate, because the VA's going to say
20 we don't have these kinds of funds for that kind of activity.
21 And they may not have those kinds of funds for those
22 recreational activities.

23 So if we have these facilities available, we're not
24 having to recreate through private funding, for instance, and
25 along the way these kinds of facilities. And that means that

1 the center might remain in the town center location as building
2 41 or whatever, but we've got the facilities in the north part,
3 so as we go from 233, to hopefully, you know, whatever number
4 as this fills over the next two to six years, we don't have to
5 reduplicate all those because part of the town center was that
6 weight room, remember? Now, we've got a weight room. So I'm
7 waiting to see what Brentwood School does.

8 Okay? Now, it's a disaster, let me ask you this,
9 when I was out there, there was a young male who was kind of a
10 security person walking with us, and we struck up a
11 conversation, he's from Marino Valley. And he'd driven about
12 two hours to get to work. My guess is he's not a wealthy --
13 he's a young black male by the way. My guess he's not very
14 wealthy.

15 And let's say the Court made an error and I over
16 compensated and I built too many housing units. First of all,
17 how do I attract veterans to come to this location when they
18 may be living in a box or some other location, but they still
19 have a social circle and they still are dependent upon one
20 another. That's my first concern.

21 Number two, how do I make the transition so that we
22 don't over build that 750 and that's what I'm raising with
23 counsel, the 1,800 doesn't make sense in six years, because I
24 could have 500 people sitting in temporary 400 square foot
25 housing. I don't want that.

1 Number three, John agrees with me. How far away are
2 we from really being able to use some of the existing buildings
3 as temporary housing? So, Mr. Johnson, come on back up for a
4 moment.

5 What I couldn't get was a clear indication of the
6 infrastructure. We know we put \$100 million in. But I was
7 told we didn't have present maps that showed me what the
8 infrastructure was. So maps were being introduced to me that
9 had big red lines on it from 2020, when in fact, when we
10 questioned, we found out that they were inadequate, that all of
11 those lines had put in because MacArthur Field had gone in, and
12 it had a red line and now it was green.

13 I need you to have a discussion with Mr. Hueston
14 about how long it's going to take to build 750. And I need to
15 have you have a discussion whether that's really realistic or
16 not from the plaintiff's position because they tossed out a
17 number which may be meaningless, just a number. How do we
18 sequence that? And I need the developers' help, because
19 Century is going to be knowledgeable, they're going to have
20 some idea of the infrastructure. USS is going to be
21 knowledgeable, so, Steve, I need you in that participation.

22 And I want to know about the other buildings and how
23 far this infrastructure is extended, because the VA is working
24 off of 2020 maps, which has red lines on them, which are, I
25 don't know how you built \$100 million of infrastructure.

1 And finally what happens if we overbuild and we have
2 our staff out there, who are near homeless. This gentleman who
3 I'm talking to has got to be paying a huge amount of gas, just
4 to drive from Marino Valley and I bet you, instead of being
5 homeless or making that drive, he would love to spend one
6 night, in case we overbuild and I'm not sure the West LA lease
7 allows that.

8 We find it's for staff, et cetera, but we don't know
9 if that means nursing staff, subject to interpretation, but
10 even if we overbuild, can't we help our staff out there who's -
11 - know I've got the rest of the VA staff living on the land at
12 the hierarchy, the highest administration, why aren't employees
13 living there? Think that should be taking first, it's
14 something called model, take care of your troops, they'll take
15 care of you and you should be the last to go to sleep at night
16 and the last to eat dinner, at least from where I come from the
17 Marine Corps and I'm not seeing that in the civilian world.

18 And finally, do we have that picture of Georgia? Put
19 that up for a moment. I want to show you what my country can
20 do. I want to show you what you as Americans can do and that's
21 why you're up against somebody who you don't want to deal with
22 in me right now, because our moto is going to be the difficult
23 we do immediately, the impossible it's just going to take us a
24 little bit longer and I'm adamant about that.

25 All right. This is the Republic of Georgia. This is

1 in 2002. I do a lot of overseas work. That's USA aid, A-I-D,
2 and U.S. money, it's Stalin's birthplace, it's six miles. Do
3 you know how long it took us to put that up? Come on, team,
4 how long did it take us to put up this with U.S. money and
5 that's more than 400 square feet and that's for refugees coming
6 down from south, streaming across the border.

7 You want to try 60 days? And you tell me we can't
8 get up temporary housing in America? Well, we sure did it U.S.
9 AID in a foreign country. Look at that and absorb that, and
10 that's why you know when you're dealing with me and you tell me
11 you can't do it, yes, you can and, yes, you will or you can
12 take me up on appeal and get me reversed. But we're going to
13 do this.

14 **MR. BERGMAN:** Your Honor, Greg Bergman again. My
15 three clients, you mentioned them.

16 **THE COURT:** I'm sorry, I didn't hear?

17 **MR. BERGMAN:** My three clients who are actually
18 building and have built housing for veterans are here if you
19 want them to give you their --

20 **THE COURT:** Yeah, come on up for a moment.

21 **MR. BERGMAN:** Okay. I'll send them up. Thank you.

22 **THE COURT:** Because I think what we've got is our
23 bureaucracies bumping up against each other and they're good
24 faith people, et cetera, but this could be done. I've seen it
25 done.

1 **MR. JOHNSON:** Your Honor, did you want me to respond?

2 **THE COURT:** Not yet, but I'm going to give you in a
3 moment, because I'm on a roll right now and then I'll be off
4 the roll in a moment, okay, and I'll give this to you.

5 No, no, no, I'm going to make lots of mistakes now,
6 you're not going to be applauding in a while, don't worry about
7 that. I'm not your friend.

8 Okay. Look at that, Steve. That's U.S. AID money in
9 some country and that's 60 days, my friend.

10 **MR. PECK:** Indeed.

11 **THE COURT:** Yeah. Now you tell me we can't build 750
12 quickly? I'll give you the parcels, if you can't decide, I'll
13 designate them for you.

14 **MR. PECK:** I think it is possible. I'm going back to
15 the point you made before, do we need 750?

16 **THE COURT:** Yeah, I don't know.

17 **MR. PECK:** And our experience, so I've been doing
18 this for 30 years, for those of you who don't know me, our
19 experience at Inglewood which is ten miles south of the VA --

20 **THE COURT:** Yeah.

21 **MR. PECK:** -- is that we have about 88 percent full
22 of our transitional housing.

23 **THE COURT:** Right.

24 **MR. PECK:** So, in other words, not all the units are
25 being used.

1 **THE COURT:** Yeah.

2 **MR. PECK:** And part of that is because of the
3 services that we provide, some homeless veterans don't want to
4 be case managed. That's just real. We can't force them into
5 the housing, so we're only 88 percent full.

6 **THE COURT:** Right. And we've got to attract people,
7 that's why I want that swimming pool if we can get it, that
8 track, those weight rooms, et cetera, otherwise it's going to
9 get bulldozed.

10 **MR. PECK:** Yes, indeed. And in transitional housing,
11 we are asking for behavior change. It is their behavior that
12 got them homeless.

13 **THE COURT:** You're asking what?

14 **MR. PECK:** Behavior change.

15 **THE COURT:** Okay.

16 **MR. PECK:** It's their behavior that got them
17 homeless. So we can put them in a 400 square foot unit, and
18 they will continue to drug themselves to death.

19 **THE COURT:** Yeah.

20 **MR. PECK:** This is not what we want. So we always
21 build according to the need and what I would ask and monitor,
22 is that we look at this on a year-by-year basis and see what
23 the need is.

24 **THE COURT:** Plaintiffs built that into their request.
25 If you noticed, what they really asked the Court was 750

1 subject to modification, it's in there. So they're going to
2 work with us on that. I'm not sure 750 has any reality, but
3 see what I'm not afraid to do is overbuild. Now, how much,
4 because I can always use that for staff if I need to. I just
5 don't want to overly overbuild on temporary, because the long
6 term goal is permanent supportive. That's what we want to get
7 to.

8 **MR. PECK:** Correct. And --

9 **THE COURT:** Okay.

10 **MR. PECK:** -- the 1,200 that we're initially
11 obligated to build and the 1,694 that we know we can get to is
12 based on our talking with LASA (phonetic), the VA and everyone
13 else according to the need.

14 **THE COURT:** Okay. Now, watch. See those figures up
15 on the board, Steve?

16 **MR. PECK:** Yes.

17 **THE COURT:** What's the top one? 750?

18 **MR. PECK:** That's 750.

19 **THE COURT:** Now, what's the next one, 1,800, right,
20 permanent supportive.

21 **MR. PECK:** That's 1,800 I'm understanding --

22 **THE COURT:** What does that 489 represent?

23 **MR. PECK:** I'm sorry?

24 **THE COURT:** That's 489. What does that represent?

25 **MR. PECK:** I'm sorry, I missed that part. I don't

1 know.

2 **THE COURT:** 489. See it in black down there?

3 **MR. PECK:** I do.

4 **THE COURT:** That's fiction. That's the difference
5 between 1,200 that everybody assumes is going to be built and
6 what's actually going to be built. And just a moment, if you
7 turn -- and you don't have this, but -- no, just a moment.

8 **MR. PECK:** And the number might be 1,694, so it might
9 be --

10 **THE COURT:** Steve, come up here for a moment and put
11 this up on the Elmo. Put that up on the Elmo for just a
12 moment.

13 Steve, so you see what we're talking about, I want
14 all your builders to see what we're talking about. You don't
15 even have a design right now. You're not even in the go to
16 phase for 489 of the 1,200 units.

17 So we're all pretending that these 1,200 units are
18 going to occur.

19 **MR. PECK:** Yes.

20 **THE COURT:** Now, this is my writing, fact finding 73
21 and 74, and pardon my chicken scratching. As of July 5th, 2024
22 pursuant to the EULs, 535 permanent supporting housing units
23 and seven separate buildings are currently under construction
24 on the West LA campus. Now, add that to our 233, et cetera.

25 The remaining 479 supportive units projected for

1 construction under the master plan will not be completed until
2 2030. Now, hold on. Do you have my document that I gave you
3 and that's going to show the housing units for just a moment?
4 Put that up. It's going to show 401, 402, put that up on the
5 screen, Steve, so you see this.

6 **MR. PECK:** I'm not sure what document we're looking
7 at.

8 **UNIDENTIFIED:** This one?

9 **THE COURT:** Yeah, put that up for just a moment.

10 And look at the last -- oops, look at the last five
11 or six. If you add those numbers up and that's my handwriting
12 in the margin, so you can check my math, we don't even have
13 plans, designs, or anything else for 479 units.

14 So we really have the following. We have 1,800 units
15 to complete and 480 -- I'm sorry, 479, that's the wrong figure,
16 479 units to complete. You've really got about 1,270 units
17 that we have to complete by 12/30 because if we're completing
18 1,800 in six years, which we're going to do by the way --

19 **MR. PECK:** Yes.

20 **THE COURT:** -- and if we're going to then catch up
21 with the 470 -- it depends on how you add it, it's 489 to 470,
22 we've got 2,200 to complete. And we don't even have plans for
23 the last 480.

24 **MR. PECK:** Can I introduce Brian D'Andre from
25 Century?

1 **THE COURT:** Yeah.

2 **MR. D'ANDRE:** Thank you, Your Honor. The place map
3 that you're looking at is dated February. I wanted to alert
4 you to the fact that a number of these buildings are inactive
5 pre-development, have actually submitted applications for tax
6 credits, so there is significant progress that has happened.
7 The buildings --

8 **THE COURT:** Okay. That's good. Check those off for
9 me. Just write on this document, put a checkmark by the one
10 and tell me -- no, that one I didn't count.

11 **MR. D'ANDRE:** Applied for tax credits.

12 **THE COURT:** Yeah, that's not my 470 something.

13 **MR. PECK:** 408.

14 **MR. D'ANDRE:** Applied for tax credits this past
15 round.

16 **THE COURT:** Okay. Just a moment. Tax credits you're
17 applying for?

18 **MR. D'ANDRE:** Tax credits is the last funding source
19 that is required to --

20 **THE COURT:** All right.

21 **MR. D'ANDRE:** -- get to the point of construction.

22 **THE COURT:** Okay. Why don't you add up the
23 following. Add up 58, 65, 45, 24, and 94 and 40 and tell me
24 what that is.

25 **MR. D'ANDRE:** Okay. So --

1 **THE COURT:** Now, we're going to take all your tax
2 credits which take forever and a day, okay, and I'm just going
3 to take the last portion where you haven't checked off, tell me
4 how many units those are.

5 **MR. D'ANDRE:** Okay. So we were starting with
6 building 300, which is 43; building 408 which is listed here as
7 100 but I believe it's -- 100 units.

8 **THE COURT:** No, you don't even have to count those.
9 I'm going to give you the benefit of the doubt --

10 **MR. D'ANDRE:** Okay.

11 **THE COURT:** -- and say that we're making some kind of
12 progress with these tax credits.

13 **MR. D'ANDRE:** All right. Also 409 there's progress.
14 We are going to be applying for credits in the first round next
15 year, that's 94 units.

16 **THE COURT:** No, you're going to follow my direction
17 now. Take building 258, you don't have any plans for 58 --
18 write down 40.

19 **MR. D'ANDRE:** 258 is being released to us next year.
20 We are beginning pre-development and we intend to apply for
21 credits next year.

22 **THE COURT:** No, I'm going to be at 300 and 408 and
23 that's generous. I'm not giving you --

24 **MR. D'ANDRE:** 258 is 45.

25 **THE COURT:** 250 -- 256, you've got -- put down 40.

1 **MR. D'ANDRE:** 256 is 40.

2 **THE COURT:** You've got 409, you've got no plans for
3 that, 94.

4 **MR. D'ANDRE:** 409 is inactive pre-development. We
5 are applying for credits first round next year --

6 **THE COURT:** It doesn't matter.

7 **MR. D'ANDRE:** That is a ground breaking late next
8 year.

9 **THE COURT:** The way you get credits takes forever a
10 day.

11 **MR. D'ANDRE:** We've been successful in every credit
12 application we've made.

13 **THE COURT:** No. Write down 94, I'm giving you a
14 tremendous benefit taking off 143. Write down 94.

15 **MR. D'ANDRE:** 94 for building 409.

16 **THE COURT:** Yeah, I don't believe you.

17 **MR. D'ANDRE:** Which is next year, okay.

18 **THE COURT:** 13 -- no, you have to show me now.

19 **MR. D'ANDRE:** We can demonstrate that.

20 **THE COURT:** You're going to have to show me.

21 **MR. D'ANDRE:** Sure, we can demonstrate the progress.

22 **THE COURT:** You write down 13 and 306, another 24.

23 **MR. D'ANDRE:** 13 is 14 units.

24 **THE COURT:** Write down 258, which is another 45.

25 **MR. D'ANDRE:** 258, I have 45, yeah.

1 **THE COURT:** Write down 400 which is lot 49.

2 **MR. D'ANDRE:** That's 65 units.

3 **THE COURT:** 65. And write down 58 and 407.

4 **MR. D'ANDRE:** 60 I think.

5 **THE COURT:** Now, I've being extraordinarily generous
6 with you in giving you 143, which I don't believe by the way --

7 **MR. D'ANDRE:** Okay. What does this add up to here?

8 **THE COURT:** -- just so you know.

9 So let's just take your best scenario because your
10 tax credits take forever and a day, and by the way we're
11 changing this to give you an opportunity here. We're going to
12 have a fair market rate, which allows you to go conventionally
13 and also I'm encouraging the VA to directly fund you.

14 Now, I don't want to get in that discussion with you.
15 You give me that number I just gave you. Otherwise, have a
16 seat.

17 **MR. D'ANDRE:** Yeah, 68. We're getting to, 336.

18 **THE COURT:** Okay. 336 to me is fiction and I'm
19 giving you another 143 on top of that, and quite frankly I
20 trust you but I don't believe what you're saying and I want
21 that blunt. Your tax credits are taking too long. There's no
22 problem, it's the financing you've been forced into to chase
23 these federal, state, municipal tax credits, it's not your
24 fault. The Court is trying to give you a lot of different
25 options and cut through this bureaucratic nonsense and the VA

1 can directly fund this.

2 **MR. D'ANDRE:** And the VA isn't --

3 **THE COURT:** Number two, you've got fair market rate,
4 which will take you to 160 percent and you can get back in the
5 conventional market now. And number three, I'm not taking away
6 any of your tax credits. You want to continue with tax
7 credits, be my guest, but it's slow and it's inefficient, but
8 we've had this discussion.

9 I'm taking a recess, thank you very much. We'll be
10 back in 20 minutes.

11 **(Recessed at 11:01 a.m.; reconvened at 11:52 a.m.)**

12 **THE COURT:** On the record.

13 And I saw a lot of conversations taking place, and I
14 didn't want to disturb whatever those conversations were. I'm
15 not privy to those conversations. So I'm simply going to ask
16 the special master, you know, what's unfolding, if anything.
17 And we'll do that transparently. And there's not going to be
18 any backroom discussion.

19 **MR. HUESTON:** Thank you, Your Honor.

20 So I had three separate sets of discussions. So the
21 first with representatives from the Brentwood School. The
22 representatives indicated a desire to try to come up with a
23 package of considerations, land -- had an initial proposal of
24 what appeared to be less than four acres, which seemed to be a
25 non-starter. And we informed them of that and invited them to

1 go back and make a more fulsome offer.

2 They discussed how they would need to convene the
3 board of directors. I encouraged them to do so even in
4 emergency session. And they suggested that they might be able
5 to come back with some sort of proposal in about a week's time,
6 which, you know, I stated might not meet with the Court's
7 approval, that kind of lapse of time.

8 So that was the discussion with the Brentwood School.

9 **THE COURT:** Okay. That's as far as we've gone with
10 Brentwood then. Okay. How about Oil? How about Bridgeland?
11 Have you had any discussion with the special master?

12 **MR. HUESTON:** We have not yet.

13 **THE COURT:** Okay. That's fine.

14 **MR. HUESTON:** Yes.

15 **THE COURT:** How about -- well, we don't have anybody
16 here from what I'm going to call Parking, do we?

17 **MR. HUESTON:** No.

18 **THE COURT:** All right. Then I know what to do
19 tonight in terms of that injunctive relief. What about UCLA?
20 Is the chancellor coming down or not?

21 **MR. HUESTON:** The chancellor is not here. I didn't
22 receive an update on that.

23 **THE COURT:** Okay. I'm waiting.

24 **MR. CARDOZO:** The chancellor can't make it, but we
25 got an understanding --

1 **THE COURT:** I'm sorry, I couldn't hear you.

2 **MR. CARDOZO:** The chancellor will not be here today.
3 We've got an understanding of what the plaintiffs are looking
4 for.

5 **THE COURT:** No.

6 **MR. CARDOZO:** And we'd want to put together a
7 proposal. That's our --

8 **THE COURT:** I'm busy also, just as busy as the
9 chancellor. When is he available? In other words, I'm getting
10 slow walked. So I'm going to say it to you bluntly. When is
11 he available? What I'm really hearing is he's not coming.
12 Now, what am I going to do? What did I tell you bluntly I was
13 going to do today?

14 **MR. CARDOZO:** I heard you.

15 **THE COURT:** What am I going to do? So I hear it from
16 you.

17 **MR. CARDOZO:** You're going to block off the stadium.

18 **THE COURT:** I'm going to order the VA to take their
19 security forces and cordon off that ballpark. And I'm going to
20 sit here and wait for the chancellor because he's not that
21 busy. And if he has this little interest in those 10 acres,
22 then that's the message I'm getting.

23 **MR. CARDOZO:** What we would like to do, Your Honor --

24 **THE COURT:** Am I clear?

25 **MR. CARDOZO:** You're clear on that. I'd like you to

1 consider an alternative.

2 **THE COURT:** And what is that alternative?

3 **MR. CARDOZO:** We'd be permitted to make a proposal
4 similar to what the Brentwood School is doing.

5 **THE COURT:** Well, walk over and tell them what your
6 proposal is.

7 **MR. CARDOZO:** That's what we need to huddle with.

8 **THE COURT:** Okay. Step out in the back for just a
9 moment. We're going to go through lunch. You two go back
10 there and let's hear his proposal.

11 **MR. CARDOZO:** Okay.

12 **THE COURT:** We're not doing this now by a weekly, you
13 know, you're not on your time schedule anymore.

14 **MR. CARDOZO:** I was just --

15 **THE COURT:** If I have to write the injunctive relief,
16 then I'll write it. Now you've heard what I'm going to do, and
17 I'm waiting for the chancellor. And if this got to the top
18 echelons of UCLA's chancellorship before with the chief of
19 staff, who we darn well know it went to the chancellor, then
20 that chancellor or the subsequent chancellor needs to be down
21 here with that power and authority. And I'm waiting.

22 **MR. CARDOZO:** What I was just told was that the
23 proposal has to include ceding back of land. We were hoping
24 when we came here today to have a discussion about more
25 services that could be provided.

1 **THE COURT:** I don't think you understand what's at
2 risk here. I don't think the message is clear. You're about
3 to lose those ten acres. You're about to lose Branca Field.
4 And you're about to get a cordon put up around that baseball
5 field.

6 **MR. CARDOZO:** And how am I supposed to prevent that
7 from happening when I have to offer --

8 **THE COURT:** You were about to come up with some
9 reasonable alternative proposal and discuss that, if you can,
10 with the special master, and I'm not hearing anything of value,
11 and I'm not even seeing the courtesy of the chancellor being
12 here.

13 **MR. CARDOZO:** That's what we'd like to do. That's
14 what we'd like to do, but because it involves giving back of
15 land --

16 **THE COURT:** What's your proposal?

17 **MR. CARDOZO:** Because it involves giving back of
18 land --

19 **THE COURT:** What's your proposal?

20 **MR. CARDOZO:** The proposal is to increase services.
21 The giving back of land that was just handed to me five minutes
22 ago, I've got to huddle with people who make those land use
23 decisions and figure out what we can do and what we can't do.
24 We're prepared to do that today. We can't have the chancellor
25 here to do that today.

1 **THE COURT:** Why?

2 **MR. CARDOZO:** He's fully committed -- school opened
3 this week.

4 **THE COURT:** So am I.

5 **MR. CARDOZO:** He had a whole series of commitments.

6 **THE COURT:** So am I. I'm getting the message that
7 this land isn't very important to UCLA.

8 **MR. CARDOZO:** That could not be further from the
9 truth.

10 **THE COURT:** Then how long do I sit here and wait?
11 I'm available tomorrow. I'm available Friday. I'm even
12 available on the weekends. When will he be here? I want his
13 authority. You got to the top chancellorship before. We
14 deserve the courtesy of having the chancellor here. How long
15 is that going to take?

16 **MR. CARDOZO:** I'll make yet another call.

17 **THE COURT:** Make yet another call. I'm sitting here.

18 **MR. CARDOZO:** We'll figure out what proposal we can
19 make today.

20 **THE COURT:** Okay. John, you want to talk to him later
21 on?

22 **MR. HUESTON:** Yes, I'll be available.

23 **THE COURT:** Okay. Well, yeah, we're here for the
24 duration apparently. All right.

25 And now I'm going to look for input from the

1 plaintiffs. I'm disappointed that there was no meeting between
2 the plaintiffs and VA before this. I didn't intend to be this
3 strong or take these positions when I came into this hearing,
4 but when I hear there's no communication before we even get
5 here, then I'm a little disappointed.

6 **MR. BERGMAN:** Your Honor, may I say one thing before
7 (inaudible)?

8 The folks that are doing the VA housing have agreed
9 and asked to meet with the monitors so we can, together,
10 resolve the issues, hopefully.

11 **THE COURT:** Okay.

12 **MR. HUESTON:** Yes, and I was hoping to do so today
13 with Mr. Soboroff and Mr. Johnson.

14 **THE COURT:** Okay. So we can all go to lunch if you
15 want to. What time would you like me back? In other words, if
16 something meaningful is happening, but we're in continuous
17 session now. In other words, we're not going back and having a
18 meeting with Brentwood School, other than an emergency meeting.
19 This is an emergency now. And we're not going to go away for a
20 week or two and then come back with a proposal that might be
21 substandard. You need to have an indication in good faith,
22 Skip, if you're going back to your board, whether I'm going to
23 accept it or not.

24 **MR. BERGMAN:** Your Honor, (inaudible) Skip --

25 **THE COURT:** No, he's Skip back there. Mr. Miller.

1 **MR. BERGMAN:** It's an honor to be named after Skip,
2 who's a great lawyer, but I'm Greg Bergman. Thank you.

3 No, when would the monitor or you like housing folks
4 back?

5 **THE COURT:** Now. Now. Now.

6 **MR. BERGMAN:** We're ready whenever, but I know he has
7 many things to do.

8 **MR. HUESTON:** Ready to go. Yeah. No, I'm ready to
9 do it now.

10 **THE COURT:** Ready to do it now?

11 **MR. BERGMAN:** Okay.

12 **THE COURT:** Okay. So, what, 2 o'clock, 1 o'clock?

13 **MR. BERGMAN:** Whatever time the monitor picks, we'll
14 be there.

15 **THE COURT:** Okay.

16 **MR. BERGMAN:** And so I assume will Mr. Soboroff and
17 his group.

18 **THE COURT:** John, how long -- do you want a couple
19 hours with them? 1 o'clock. Do you want me to -- put it this
20 way, I'll be available at 1 o'clock. You tell me when to go
21 back into session.

22 **MR. HUESTON:** Okay. I will.

23 **THE COURT:** Mr. Miller.

24 **MR. MILLER:** Yes, Your Honor. We made an initial
25 proposal, and as Mr. Hueston correctly reported, it wasn't well

1 received. Okay? So we have to go back. Our process is, I
2 have my chairman of the board here, but he's just the chairman
3 of the board. We have to go back to the drawing board. We
4 have to redo the proposal, make another proposal, and we can't
5 do it today. It's not logistically possible.

6 But we understand the urgency, totally connect,
7 totally relate to that, and we'll do it -- I'd like to have
8 until next Tuesday or Wednesday. I think that's necessary
9 here. This problem's been going on for a long, long time, and
10 we want to do this right. Part of our consideration is it's
11 not just giving back land or acknowledging land. There's other
12 components. There's potentially a monetary component to assist
13 with building housing. There's readjusting schedules. It's
14 not a simple-minded process, and we have to do it right. We
15 don't want to do it as catch as catch can.

16 And I explained that to Mr. Hueston, and he said he
17 was going to talk to Your Honor about that.

18 **THE COURT:** I'm concerned that there were -- so let's
19 have this discussion openly. I'm concerned that there's a
20 position where you're going to propose trading back land,
21 whatever acreage that is. That's not going to be acceptable to
22 me.

23 The veterans are going to get this land back in terms
24 of the 22 acres. The question is I'm hoping to give some
25 control back to you as well and work out some kind of

1 accommodation so we either don't have that land sitting vacant,
2 unused for a period of time when we're not using it. That's
3 ridiculous.

4 Second, I'd like to keep those facilities intact. I
5 think there's a way to work out the hours because I think the
6 veterans will actually be generous with that. And by the way,
7 Brentwood School was not, and UCLA was not, for the record, not
8 generous at all, especially during COVID when they wanted to
9 come in and they can't even get a parking lot at UCLA, and
10 Brentwood School is turning them down with four baseball
11 fields. It's ridiculous.

12 **MR. MILLER:** I heard all that.

13 **THE COURT:** No, I'm going to say -- I'm finishing
14 now.

15 There won't be a trade out of land, Skip. What there
16 will be, hopefully, is a preservation of these facilities could
17 be because it will be good for the veterans and good for the
18 school. And if we can work out those hours somehow fairly, so
19 veterans aren't coming up from 5:30 to 7:30, I'm going to work
20 with you. Understood?

21 **MR. MILLER:** I understand.

22 **THE COURT:** But as far as trading off the land, no,
23 this land goes back to the veterans either by my order, which
24 I've already said the leases are void, or by hopefully, you
25 know, some overture that heads me off from writing that final

1 injunctive relief.

2 **MR. MILLER:** I understand that. What we need is we
3 want certainty. We want longevity. However it's structured,
4 the land goes back, that's a real estate issue. That's for
5 lawyers a lot smarter than me. We don't want to be back in
6 court litigating this issue in a year or two years or three
7 years, as much as I like appearing before Your Honor. That's
8 just not agreeable to us.

9 **THE COURT:** No, no, you don't. But that's fine. No,
10 no, you don't. You don't enjoy me at all. That's fine.

11 This is solvable. But it's not solvable unless
12 Brentwood is going to either give that land back voluntarily or
13 let me -- put me in the hard place where I write this
14 injunctive relief and I just do this. And I'm going to do
15 this, Skip. What I'd like to do is I'd like to preserve these
16 facilities. I think the veterans could use them. We might be
17 able to work out hours, and I guarantee if we can talk to those
18 veterans and counsel, they may be generous. Correct, counsel?

19 We don't want to destroy this if we don't have it.
20 It's for everybody's benefit. But if you put me in that box, I
21 will.

22 **MR. MILLER:** I'm not putting Your Honor in any boxes.

23 **THE COURT:** Okay.

24 **MR. MILLER:** We're on the same page.

25 **THE COURT:** I don't believe your board can't meet. I

1 don't believe that they can't discuss this. I don't have to be
2 adamant about tomorrow, Skip, but we're in continuous session
3 now and I'm getting tired of slow walk, not by you and not by
4 your client. And I understand your problems. I'm not getting
5 slow walked anymore.

6 **MR. MILLER:** Got it.

7 **THE COURT:** And if my country can build what you just
8 saw in 60 days in some country we can't pronounce called
9 Georgia, which is Stalin's birthplace, 10 miles away. By God,
10 we can put this up. This is America.

11 And so I'm really tired of listening to what we can't
12 do in the civilian world when we demand extraordinary, and I'm
13 saying this to you now because I'm on a wherever I am. I'm
14 saying that the military does things you can't even imagine.
15 And I've got civilians running around who can't get this done
16 without bumping into each other.

17 And I can just imagine telling you a story. Steve,
18 stand up. You were in the Marine Corps also. Could you
19 imagine telling your drill instructor when they told you
20 assault a hill at five o'clock in the morning that you might do
21 that at 5:05 and have a latte? I think you'd find yourself
22 flat on your back with your face in the dirt from a rifle butt.
23 So I don't believe that this can't be done.

24 Okay. And I don't believe that your board can't
25 meet. But I'm not waiting until next Wednesday. Don't put me

1 in that position. Now I'll work with you. I'll work with you
2 reasonably, but we're in continuous session and I'm sitting
3 here. I'm not going away. So I'll leave that to you.

4 **MR. MILLER:** Okay.

5 **THE COURT:** Okay.

6 **MR. MILLER:** Yes, sir.

7 **THE COURT:** Then why don't we do this, John? I'll be
8 available at, let's say, 1:30. You don't need lunch, do you?
9 No, you don't need lunch. Okay. No, we'll bring you a donut.

10 All right. So if you want to talk to John or
11 whatever, talk to him. But I want concrete proposals. Skip,
12 you need to know what I'm thinking so you don't go back to your
13 board and you come back. So I'm being clear. This property is
14 going back to the veterans. Now work with me in terms of
15 hours. Preserve these facilities, et cetera. But my bottom
16 line is, it's not trading out parcels now. Okay?

17 **MR. MILLER:** I understand that. I do not have
18 authority. I'm just a lawyer.

19 **THE COURT:** Who does?

20 **MR. MILLER:** So I have to get -- before we make a
21 proposal, I have to have proper authority from my client.

22 **THE COURT:** I understand that. Your client needs to
23 start treating this like an emergency.

24 **MR. MILLER:** Oh, believe me, they are.

25 **THE COURT:** Oh, okay. We'll see. I'm sitting here.

1 **MR. MILLER:** Believe me. That's why I'm here.

2 **THE COURT:** Okay. I have a continuing session, Skip.
3 We're done with the conversation. I'm sitting here as long as
4 you need.

5 **MR. MILLER:** Okay. All right.

6 **THE COURT:** Okay.

7 **MR. MILLER:** Thank you.

8 **THE COURT:** We'll see you at 1:30, counsel.

9 **(Recessed at 12:06 p.m.; to reconvene at 2:40 p.m.)**

10 **THE COURT:** We're back on the record. And I want to
11 inform all counsel that Michelle Martinez, who's been a special
12 master on both the city and the county, has volunteered pro
13 bono to also work on this case. That would be beneficial
14 initially because of so many crossover issues that we have with
15 the city and the county, loss, et cetera. So she brings a lot
16 of expertise and I want to thank you -- there you are -- for
17 volunteering your time. I've been surrounded by goodness and
18 it's very much appreciated.

19 The second issue I want to raise quickly before I
20 turn to any progress or non-progress that you've made is the
21 UCLA chancellor. So counsel, if you'd like to come forward,
22 I'd like to get the latest input from you if possible.

23 **MR. CARDOZO:** Yes, the chancellor is planning to be
24 here at 6:30, Your Honor.

25 **THE COURT:** Okay.

1 **MR. CARDOZO:** And there's a proposal we'd like to
2 make before he gets here to all concerned parties. Maybe we
3 could get some progress before he gets here.

4 **THE COURT:** Okay. I was prepared and had written a
5 docket so that you know that UCLA is hereby enjoined from
6 accessing the UCLA baseball fields and facilities on the West
7 L.A. VA campus until the chancellor appears and presents UCLA's
8 position on how the ten acres it currently occupies can be put
9 to the principal benefit of the veterans. The VA is ordered to
10 cordon off and prevent any use of the UCLA baseball stadium and
11 practice field until further notice from the Court. If the
12 chancellor is unavailable to attend, the Court would welcome
13 the chair of the University of California Board of Regents and
14 Janet Riley.

15 I'd also paid initial tribute, so you know exactly
16 where the Court was, that two weeks ago, this Court had invited
17 the UCLA chancellor's office to today's hearing on injunctive
18 relief, which is Docket 305. The chancellor has not attended.

19 And I apparently -- and I said it initially, counsel, subject
20 to your input now that he apparently is not attending and not
21 intending to attend, despite the Court's offer to remain in
22 session for consecutive days and during evening hours to
23 accommodate his schedule.

24 The chancellor's office has historically been
25 involved in discussions with the VA regarding the stadium in an

1 attempt to shield the VA from scrutiny. Further, UCLA has not
2 presented any good faith proposal regarding how the land on
3 which UCLA baseball stadium and the Branca practice field might
4 be repurposed to principally benefit veterans and their
5 families.

6 UCLA's failure to come forth with a good faith
7 proposal stands in contrast with the Brentwood School and
8 Brentwood School's chairman of the board and trustee, Adam
9 Cohen, and counsel, Skip Miller, who've engaged at today's
10 hearing in constructive dialogue with the special master
11 Hueston regarding how the Brentwood School's athletic
12 facilities can be repurposed to principally benefit veterans.

13 Although the Brentwood School's initial proposal is
14 inadequate, the Court appreciates their appearance and their
15 effort.

16 I want to hear once again, will the chancellor be
17 here or not?

18 **MR. CARDOZO:** The chancellor will be here at 6:30,
19 Your Honor, and he looks forward to -- that's why we want to
20 make a proposal now because we look -- we very much want the
21 very strong and beneficial partnership between UCLA and
22 veterans that has existed for --

23 **THE COURT:** Does he want to make that proposal at
24 that time? Because --

25 **MR. CARDOZO:** No, no. We will make the proposal now

1 offline and then hopefully make some progress by the time he
2 arrives, because they may have some comments on the proposal.

3 **THE COURT:** All right. I'd like to remain in session
4 then, just for a moment, and I'm not going to -- I want you to
5 hold up docketing this.

6 Counsel, I think in the breadth, I want to thank you
7 for getting in contact with him. This was going to be docketed
8 in just a few moments. I don't think I have to docket it at
9 the present time with the representation that the chancellor
10 will be here.

11 **MR. CARDOZO:** Yes.

12 **THE COURT:** Okay. I'll hold back this docketing
13 then, but you have the exact order that I was going to send
14 out.

15 **MR. CARDOZO:** Thank you, Your Honor.

16 **THE COURT:** Now, I've got to contact the chief judge
17 here because apparently the courthouse closes at 6 o'clock
18 here. The chief judge will not be happy with the court being
19 in session because it's overtime.

20 Rose, could you ask the security downstairs if they
21 can let in the chancellor at 6:30?

22 **THE CLERK:** Will do, Your Honor.

23 **THE COURT:** All right. And I need to apologize to
24 the chief judge for this. And I was planning to meet you at
25 Patriot Hall, counsel, at 8 o'clock tonight. If I can stay in

1 session, I'd like to do that here because I don't have a record
2 at Patriot Hall. Okay.

3 The next issue is I'd like to hear from plaintiffs
4 about your thoughts concerning the change Treasury announced
5 yesterday that would allow veterans disability benefits -- or
6 that would exclude veterans disability benefits from the
7 definition of income for the low income housing tax credit,
8 which we refer to as the LIHTC program.

9 First, given the timing of this announcement, it's
10 clear to the Court that this change has been spurred by this
11 lawsuit, by your lawsuit. But I want to continue on the record
12 to profusely thank Dr. Keith Harris, who I hope is here to hear
13 the Court's comments.

14 As Dr. Harris has been pushing this issue for years
15 and ultimately, however, it doesn't matter what prompted this
16 change to happen as this is a huge milestone and will
17 positively impact veterans or disabled veterans across the
18 country. Given this change from Treasury, I want to hear
19 plaintiff's thoughts because you've been suspicious before,
20 you've been concerned before, and I want to hear if there --
21 what -- if you would still be pressing for injunctive relief
22 because the benefit to the Court is if this does go nationwide
23 on October 24th, then you've achieved an immense amount far
24 beyond this lawsuit with the West L.A. VA Center. You've
25 accomplished a nationwide change for all veterans.

1 So what is your position? Because if I don't have to
2 write injunctive relief on this, I don't want to.

3 And by the way, my compliments to the VA, because I
4 think you started this ball rolling. I think you were somewhat
5 helpless with Treasury, at their whim, and this has been
6 pending over a year. So Dr. Harris and all of you are to be
7 complimented on the VA side.

8 What's your position?

9 **MR. SILBERFELD:** Your Honor, we agree that it's an
10 important change. However, over lunch hour with Mr. Hueston
11 and others, we had a conversation about the final impact of
12 this change. This is a step in the right direction.

13 Obviously --

14 **THE COURT:** This isn't --

15 **MR. SILBERFELD:** -- the same way -- this is a step in
16 the right direction, obviously, as was the HUD change. But
17 there are still state and local impacts that have to be
18 considered.

19 **THE COURT:** I understand that, but let's walk through
20 that. Are you requesting that I write injunctive relief in
21 this area? Because you know I'm going to write that injunctive
22 relief.

23 **MR. SILBERFELD:** Yes.

24 **THE COURT:** But by the same token, why are we poking
25 the VA and Treasury, who's finally, you know, after a year or

1 so on the Treasury side, at least, taking Dr. Harris's input?
2 You know, is it just exacerbating a situation or do I hold back
3 on this injunctive relief? I can hold this in abeyance on this
4 issue to see how this sorts out or I can write this injunctive
5 relief. What are you requesting?

6 **MR. SILBERFELD:** My view is that the prudent path
7 forward is to hold it and let us further explore the impact on
8 the state and local aspects of this.

9 **THE COURT:** What's the VA's thought? I would think
10 that you might want the same thing.

11 **MR. ROSENBERG:** One moment, Your Honor.

12 **THE COURT:** Yeah. In other words, they're willing to
13 hold it to see how this works out on the local level and in
14 practice. But if you want injunctive relief to be an issue,
15 I'm happy to write that.

16 **(Pause)**

17 **THE COURT:** Take your time with it, Brad. Okay.
18 Take your time.

19 **MR. ROSENBERG:** Your Honor, would it be possible to
20 get back to you a little bit later today on that issue?

21 **THE COURT:** Absolutely.

22 **MR. ROSENBERG:** All right.

23 **THE COURT:** Absolutely.

24 **MR. ROSENBERG:** It's complex.

25 **THE COURT:** Yeah. And remember, any time that I can

1 push you now forward as the advocates for this, I would prefer
2 to. I would prefer not to be writing injunctive relief. And
3 if we've finally gotten there, I don't care about the woulda,
4 coulda, shouldas. I'd like to join in commending the VA and
5 Treasury.

6 But if, and we need to test this out on the local
7 level, obviously. We could have done it months ago, but so
8 what? We're finally here. But otherwise, you know, basically
9 what I'm going to write, so -- if we have to go forward.

10 Okay. Next. Would you put this up on the board for
11 a moment? It's document number 320. Have you folks looked at
12 320 and the royalties that flow from the Bridgeland leases?

13 There's some check marks, but Una, could you help?
14 Could you walk over with Will and point out the Brentwood
15 Homeowners Association, amongst others? And my question is
16 going to be very simply this. There've been a lot of royalties
17 flowing from this site, among them, the Brentwood Homeowners
18 Association, and I will bet a dollar to a donut that you've got
19 a lot of folks over in the West L.A. Homeowners Association
20 personally getting royalty from this well site.

21 And so if you look down, you'll see some who's who
22 that are easily recognized, and you'll see a lot of folks in
23 West L.A. And so I would expect Mr. Johnson and Mr. Soboroff,
24 you're about to get a lot of pushback from the West L.A.
25 Homeowners Association, regardless of your building. But there

1 apparently is a pecuniary interest out there also. And there's
2 over a thousand names. I think the Department of Water and
3 Power is on that. Various law firms are profiting from this.
4 And there's nothing wrong with royalties that were created.
5 Bridgeland is not involved in this. So virtuous.

6 By the same token, there's a lot of self-interested
7 people out there potentially getting these royalties. And I
8 guarantee if you start checking these names as somebody goes
9 through it, you'll see a real financial interest out here.

10 Has anybody done that? Well, my law clerks and I
11 will. I don't know how to match that up. But that may take
12 some special master time and you may be paying for it. But if
13 we're going to get pushback from the West L.A. Homeowners
14 Association, let's find out if there's a financial benefit that
15 they're receiving on these leases.

16 **MR. SOBOROFF:** Does it say how much each one's
17 getting?

18 **THE COURT:** I'm sorry?

19 **MR. SOBOROFF:** Does it say how much each one is
20 getting?

21 **THE COURT:** No, no.

22 **MR. SOBOROFF:** Okay.

23 **MR. GUARDIANA:** It doesn't say the exact amount paid,
24 but it does give the royalty percentage on the very --

25 **THE COURT:** You've got a royalty percentage, but you

1 don't see what each person is receiving. And you may have very
2 wealthy people receiving a small amount that doesn't make a
3 difference, but you may have other people who are receiving an
4 amount. The point is, how many of these folks are from the
5 West L.A. area who are going to push back on any increase in
6 the veterans? Because historically, they push back on the West
7 L.A. facility. So let's see what their interest is.

8 All right. Now, I'd like to hear, John, if it's
9 acceptable to you, any progress made or non-progress.

10 **MR. HUESTON:** Thank you, Your Honor.

11 So the parties, veteran representatives and others,
12 did meet throughout the, we'll call it lunch hour, though there
13 really wasn't lunch, and worked diligently. And there is
14 progress to report.

15 So I'll start first with temporary housing, both
16 progress and things to do. So with the temporary housing units
17 to build 750 within 18 months, we discussed and reached some
18 preliminary thinking on how this might best be done.

19 So the VA pointed out that if two-story housing were
20 to be used, temporary housing were to be used, in all
21 likelihood, that would require more invasive permanent
22 structures that would then trigger longer, more detailed
23 environmental review processes that would potentially very much
24 delay implementation.

25 So we discussed alternatives and everybody at the

1 table discussed the possibility of modular structures that
2 would be -- wouldn't be as good as the permanent structures
3 that had been discussed, but would be a true step beyond what
4 is there now, the small --

5 **THE COURT:** So, John, is this on the 750, the
6 temporary?

7 **MR. HUESTON:** 750, just talking about the 750.

8 **THE COURT:** Okay. Got it.

9 **MR. HUESTON:** So in terms of to-dos, I'm going to be
10 consulting with plaintiff's counsel and defense and VA reps and
11 veterans reps to look at proposed modular structures that could
12 be put up on a faster timeline with a lesser environmental
13 review component. But it's important to the vets that these
14 achieve certain minimum standards of habitability. For
15 instance, I've been told that some of the permanent structures
16 have dwelling units without an oven, without a closet, and
17 that's not acceptable.

18 And so, you know, we're going to look at these
19 proposed modular structures, see if it meets minimum standards.
20 If not, you know, we're going to have to go back to the drawing
21 board and think about how we can accomplish more suitable
22 housing within that time frame, given the environmental review
23 issues. So that's on the temporary.

24 With respect to the permanent housing units,
25 everybody seems to agree that the timeline of six years can be

1 met. And the VA says that they're confident that they can
2 accelerate development plans and get everything done within six
3 years.

4 **THE COURT:** John?

5 **MR. HUESTON:** Yeah.

6 **THE COURT:** Does that mean the 1,800 plus the
7 approximately 489 because that 489 --

8 **MR. HUESTON:** That's what I understood, but someone
9 will get up and correct me. But that's what I understand.
10 It's the 1,800 plus the 489.

11 **THE COURT:** Okay.

12 **MR. HUESTON:** I'll call that the last 1,800. That's
13 what we were talking about.

14 **THE COURT:** So six years from now is approximately
15 2,030 when it was represented we'd have 1,200 long-term or
16 long-term supportive housing units. So we're still meeting
17 that 2,030 deadline in six years, correct?

18 **MR. HUESTON:** Right.

19 **THE COURT:** Okay.

20 **MR. HUESTON:** And I asked if the plaintiffs had any
21 changes to Exhibit 248, their proposed plots, the nine plots
22 colored in green, Your Honor. They said no. They had no
23 amendments. However, we went through -- in that exhibit, my
24 understanding is one form of the exhibit had three options.

25 **THE COURT:** Would somebody put up 248?

1 **MR. HUESTON:** Option three?

2 **THE COURT:** Yeah. Just, just wait. Put it up on the
3 Elmo. I've got it.

4 **MR. HUESTON:** Yeah.

5 **THE COURT:** And just a moment, John. I'll refer to
6 you as John because I know you as John, but Mr. Hueston.

7 All right.

8 **MR. HUESTON:** Right. So what's depicted on the
9 Elmo --

10 **THE COURT:** No, slide that down so we see nine also.
11 I want to see nine up at the Brentwood school. So shrink that
12 down. Roman, thank you.

13 **MR. HUESTON:** Right.

14 **THE COURT:** Okay, perfect.

15 **MR. HUESTON:** So right now those, those are the
16 proposed plots by plaintiff. Those would be sufficient. And
17 we would need all of these to do -- to build the temporary
18 structures. That's what the green indicates on a single level,
19 which would be the modular form of the temporary structures.
20 And the VA said that they did not -- and again, if I'm mis-
21 recollecting here, someone can correct the record, but I don't
22 believe the VA had a counter proposal to that.

23 With respect to the permanent -- the permanent
24 structures kind of moving to that. Again, it can all be done
25 within six years, but there was a lot of debate because they

1 involve much more permitting and other issues. There were a
2 lot of questions from the parties about, you know, cart before
3 horse. What possible plots of land are we looking for? Are we
4 working with the map that's in 248 or are there other
5 additional properties?

6 So 248, for instance, assumes the entirety. If you
7 look at yellow letter B, that's assuming the ball field, the
8 UCLA ball field is demolished and all that property is used.
9 So --

10 **THE COURT:** Just a moment, B seems to be in existence
11 on this?

12 **MR. HUESTON:** Right. Right. It is in existence.

13 So it's already assuming that entire UCLA piece of
14 property there, which is the ball field and adjacent parking
15 lot is already going to be dedicated, I think, to this. And
16 again, if I'm misreading the map --

17 **THE COURT:** Mr. Braverman, remain for just a moment.
18 I want to have a discussion with you, Mr. Kuhn.

19 Okay. I'm sorry, John, please continue.

20 **MR. HUESTON:** Yeah. But -- so the predicate
21 questions that were asked both by experts from plaintiffs and
22 the VA was we need to look at what can be demolished, right?
23 Which of those buildings will the VA agree can be demolished to
24 create clear land space and then what property, if any, is
25 coming from the Brentwood School and UCLA, and the timing to

1 build the permanent supporting housing will, as I think Your
2 Honor has commented several times today and through court
3 proceedings, is very much going to depend on the proximity to
4 existing infrastructure.

5 So choosing pieces of property close to built-out
6 infrastructure will vastly increase time for construction. So
7 these are the variables that we're going to need to address
8 quickly to get the plan in place in the contemplated time of
9 six months, you know, for the defendants to create a plan in
10 consultation with plaintiffs' counsel and the monitor to create
11 the permanent supportive housing units.

12 **THE COURT:** And these are the permanent supportive
13 we're looking at, correct?

14 **MR. HUESTON:** Right.

15 **THE COURT:** Now, what do we do then, John, with the
16 temporary? Because Dr. Braverman has taken the position that
17 he would like these temporary in the North Campus.
18 Mr. Soboroff and Mr. Johnson took the position that as far as
19 parcel 3, which is lot 6A and 6B, that this might entail an
20 underground parking lot.

21 It would seem that if we have people with acute
22 substance abuse and mental health, that we might want those
23 people, subject to your input and the parties' input in just a
24 moment, closer to that hospital.

25 And number two, and we walked that and we discussed

1 that so counsel knows, that we seem to have a significant
2 amount of land in parcel number 1 for temporary, parcel number
3 2 for temporary, parcel number 4 for temporary, and what hasn't
4 been drawn in so far is just across the street in what I'm
5 going to call the safe parking area, which is another three or
6 four acres.

7 So Mr. Kuhn, in just a moment when we have this
8 discussion with the special master and the Court openly, I'm
9 having trouble with the initial position by the VA that we're
10 going to create a community, but we have some veterans out
11 there that are truly psychotic and possibly dangerous.

12 I'm not going to be favorable to the VA not taking
13 responsibility and segmenting those out someplace on the campus
14 because if not, then they're left on the street corners of Los
15 Angeles. And this isn't Los Angeles County or city problem,
16 and that cost when we don't find housing for the acutely
17 disabled, either mental or physical veteran out there, then you
18 leave that to L.A. to pick up the cost, either the county or
19 the city. This is the VA's issue with veterans.

20 So I'm going to toss out to you some initial
21 thoughts. You're the expert. You'll get back to me on it, but
22 I'd like, and I think it's a ridiculous position after walking
23 this, that we need these four areas for what I'm going to call
24 a lay down yard.

25 If you put me in that position, I'm going to take A

1 and I'm going to take the front lawn of the governor's mansion
2 and that's where your lay down yard will be. But if you walk
3 that hospital ground, you'll see that there's more than
4 adequate space concerning the new renovation for this hospital
5 for lay down yards. I would like to see us consider one and
6 two. Those are solar panel at two. You also have a parking
7 lot out there. You have another four or five acres in four and
8 you have another couple acres across the street.

9 So if you go too high, Mr. Soboroff, we've done a
10 calculation. You can fit 750 in there very easily.

11 **MR. SOBOROFF:** Judge, we need both sides. Someone on
12 both side of --

13 **THE COURT:** No, I'm going to take away from you for
14 just a moment, hypothetically, and give the VA all the room
15 that they need temporarily. And if we took the solar panels in
16 2, if we took 1, there's also a parking lot out there. If we
17 took 4 behind -- and also what hasn't been designated is just
18 across the street where safe parking is, I can move that up to
19 Barrington while we're, you know, in this flux, and I'm going
20 to give you another two acres.

21 **MR. HUESTON:** There's also the Metro adjacent lot,
22 which I think is on option three of this --

23 **THE COURT:** And I'm telling you, we've got plenty of
24 room out there, whether it's two acres or four acres, we can
25 create that easily for lay down out there.

1 Now, in just a moment, Dr. Braverman, I want to talk
2 to you because you have a different concept and you wanted to
3 move some of these folks up to North Campus. But another
4 concept might be that this remains for permanent supportive
5 housing up in the North Campus. So all of this development can
6 take place and this construction can take place.

7 So why don't you come on up for just a moment, John?
8 I don't want to interrupt you, but I do want to, and Mr. Kuhn,
9 why don't you come up for a moment also? I was impolite to you
10 and I didn't have you answer.

11 So what happens if we change this concept and we had
12 the temporary in the South Campus? You know, we've got to
13 sequence that in some way. I fully understand overbuilding,
14 okay? But if I've got my most acute who need either substance
15 abuse or psychiatric help closest to you in the hospital, tell
16 me why we couldn't do that and keep the North Campus for long-
17 term supportive housing?

18 **MR. BRAVERMAN:** So, Your Honor, the justification for
19 the position that I took before was that the individuals, our
20 veterans, who would be in temporary housing are not necessarily
21 going to be those that require immediate care in the facility.
22 They're not all going to be seriously mental ill.

23 **THE COURT:** Okay, now let's stop there and let's play
24 with that. Let's assume that out of the -- hypothetically, we
25 take 750 veterans. Hypothetically, let's say that 250 of them

1 still need acute psychiatric care or substance abuse. I can
2 take your concept and move that to North Campus, but once I do
3 that, I'm taking away long-term supportive housing. And there,
4 you know I'm going to go after Brentwood School and UCLA
5 because I'm in a box now with what I perceive plenty of land.
6 But if you move to a temporary North, then I'm going to have to
7 be in a position no matter what of taking that baseball field
8 and Brentwood land.

9 **MR. BRAVERMAN:** So there are potentials within those
10 green areas on the South Campus that could be beneficial. What
11 I can't speak to with any kind of certainty right now is to go
12 back to the contractor that's required -- you know, that's
13 going to get the contract for the tower. There's also the
14 construction of a parking garage there. There's also

15 **THE COURT:** Just a moment. Look at the map. I'm not
16 taking 3 from you right now. So walk through this with me.
17 Look at 1.

18 **MR. BRAVERMAN:** Right. So what I -- I'm agreeing
19 with you that there's the potential for the southernmost
20 locations and plus or minus the solar panel locations if there
21 is an ability to compress the lay down requirements. We have
22 to get that verification from the contractor. I don't know
23 that today because we haven't taken it back to the group and
24 say where are the alternative locations to put those --

25 **THE COURT:** Walk with me just a moment. Let's take

1 1. And counsel, just tell me the acreage so I don't have to
2 look down. What does 1 have?

3 **MR. SILBERFELD:** Parcel 1 is 1.7 acres.

4 **THE COURT:** Okay. Somebody write down 1.5 just to be
5 cautious. Okay?

6 Now walk down with me and when you see 2, that's what
7 I'm going to call the solar panel yard. And eventually, we
8 already know that that's going to be torn down. So counsel,
9 how many acres do we have there?

10 **MR. SILBERFELD:** 3.7.

11 **THE COURT:** Okay. So let's round that off to 1.5 and
12 3.7. Take 3.5. Okay? Five acres, right? Now let's walk down
13 and what isn't listed here that I see is a parking lot. It's a
14 huge parking lot in this area, and that parking lot fronts that
15 new building that we built and I forget, Brad, help me. That
16 building was called a --

17 **MR. SILBERFELD:** It's the IT building.

18 **MR. ROSENBERG:** Or the --

19 **THE COURT:** Have you folks -- you folks saw this
20 parking lot. We don't need all that parking lot for that small
21 building. And what's not listed here is about two more acres.
22 Now hold on. Let's track this. Hold on. I'm just going to
23 walk now. Two more acres. You've got another acre of parking
24 out there for a very small building.

25 I'm going to add two acres to that. That's seven,

1 right? Now walk over to what I'm going to call Patriot Hall,
2 number 4. And right behind that, you've got about four acres.
3 And I'd like to be considerate of the neighbors, so I don't
4 know Mr. Soboroff whether it's a 50-foot setback, but whatever,
5 I'd like to get a setback. So four acres.

6 Now how many acres do we have so far? About nine,
7 don't we? Give or take? Okay, 11. Now walk across the street
8 to safe parking right now and that's about another two acres,
9 but if you go outside that lot, that's a huge area. So I'm
10 just taking the paved area and I'm going to say minimally, just
11 to be safe, two more acres. So Mr. Soboroff, what are we up
12 to? Roman?

13 **MR. SILBERFELD:** That'd be 13.

14 **THE COURT:** Okay, now hold on. You'll have all the
15 time. So 13. Now this is temporary supportive. And when I'm
16 dealing with temporary supportive, how many do I put per acre
17 if it's single story?

18 **MR. SILBERFELD:** Twenty.

19 **THE COURT:** Okay, so 13 times 20, right? Now I go
20 double story.

21 **MR. SILBERFELD:** So it goes from 260 to 520.

22 **THE COURT:** Exactly. If we're going to eventually
23 sequence this in, you know, and be reasonable about
24 accommodating long-term supportive housing, you flipped out a
25 number of 750, you may be right. But by the same token, I want

1 to know that that has reality to that number and I could get
2 long-term supportive housing sequentially, and also it helps
3 the VA with their costs.

4 They shouldn't be heaped with a billion dollars in
5 one year. They can fit this into their budget. So I'm going
6 to ask you to really think about that 750, because I don't want
7 to end up with excessive modular homes when we can spend that
8 money on long-term supportive homes, okay? So I question that
9 750.

10 All right. Now, every time we move temporary
11 supportive housing to the North Campus, it decreases the
12 options of a build-out for long-term supportive. Now we're
13 going to walk through this for a moment.

14 I want you to look at number 9. Number 9 is on the
15 Brentwood Campus. That is going to be developed. That is a
16 soccer field. It's how many acres, Roman?

17 **MR. SILBERFELD:** 4.8, Your Honor.

18 **THE COURT:** Let's just say 4.5. Now I want to go
19 over to the Barrington Park for a moment. You've got literally
20 between the parking lot there and that, if we can use it, if it
21 has no methane, no nuclear issue, how many acres in just the
22 parking lot -- and discount the parking lot closest to the
23 Brentwood school.

24 **MR. SILBERFELD:** Six.

25 **THE COURT:** How many?

1 **MR. SILBERFELD:** Six.

2 **THE COURT:** Yeah, but you've got a parking lot in
3 there that you're not accounting for. You've got almost nine.

4 **MR. SILBERFELD:** Right.

5 **THE COURT:** Okay. Now, we know that they have
6 facilities along Barrington, so we don't have to wait for
7 facilities for our developers. We've got lots of lights,
8 sewer. So, 9. Plus, what did we have up at Brentwood? Four
9 on the playing field? 4.5?

10 **MR. SILBERFELD:** 4.5.

11 **THE COURT:** Okay. Now, we've got a parcel 8. And
12 how much -- how big is that parcel so I don't have to look
13 down?

14 **MR. SILBERFELD:** 4.1 acres.

15 **THE COURT:** Okay, let's make it four.

16 Now, next to it, if you look at 7, that parking lot
17 is massive. And that parking lot extends beyond 7 that you've
18 penciled in. Go out and look at that again. What we've done
19 is we've cut number 7 in a third, and for the life of me, that
20 parking lot is absolutely vacant.

21 **MR. SILBERFELD:** It is.

22 **THE COURT:** Now, I'm not living out there in a tent,
23 but I can tell you I've been out there enough, and I'll vouch
24 to you that that parking lot is not used. And if you want to
25 go out with me, I'm available Saturday and Sunday. We'll go

1 out Monday. We'll go out any time you want to, but that
2 parking lot is not used. Who's got that parking lot?

3 **MR. SILBERFELD:** That's the National Cemetery
4 Association.

5 **THE COURT:** But why can't we get some of that vacant
6 parking lot that nobody's using? Now, hold on. So I'm not
7 accepting the VA's demarcation between the cemetery when it's
8 not used. This is something that the VA could transfer, quite
9 frankly, because that parking lot is absolutely unused except
10 for special occasions, and I can't imagine what that is except
11 for maybe the Olympic games if we have anything going on in the
12 area. So I'm going to take that. How many acres is number 7?

13 **MR. SILBERFELD:** Well, it's roughly two acres as
14 it's --

15 **THE COURT:** Okay. So let's add two, and I'm going to
16 make that four acres because there's two acres minimally
17 available, and that leaves another acre of parking out there.

18 And by the way, if you go down the side, there's even
19 more parking out there that isn't accounted for.

20 Now, let's just assume that -- we never got to number
21 6, but let's assume, how large is number 6?

22 **MR. SILBERFELD:** Four acres.

23 **THE COURT:** Okay. So if we have four acres in number
24 6, we've got 9, 4.5, 4, 4, 4. Somebody add that up. I'll do
25 it for you. 13, 17, 21, 25 acres, 25.5 acres right there.

1 This should be roughly 25 acres -- right to begin with, but
2 let's just do the math. Remember, now I'm going to let you
3 build three stories. Before I can find you -- I'm going to let
4 you build three stories, and the reason for that is all of the
5 other structures there are three stories. I would never
6 recommend four stories.

7 So if we're building three stories high, now do the
8 math.

9 **MR. SOBOROFF:** It's 1,500.

10 **THE COURT:** 1,500. In other words, if we just have
11 9, 8, 7, and 6, we've got 1,500 towards our 1,800, because I'm
12 assuming that you had plans for the other 489 someplace.

13 In other words, this is easily met, and I haven't
14 even touched or considered 5. I haven't even considered the
15 parking lot up by the Brentwood School. I haven't considered
16 the empty stadium outside the fence at Brentwood School. I
17 haven't taken the baseball field as you enter the Brentwood
18 School. I haven't bulldozed the tennis courts yet. I haven't
19 disturbed the track, which could be facilities that the
20 veterans and the school agree upon, and let the kids, you know,
21 have some facilities out there, and I would hope that veterans
22 would be generous, but this land belongs to you. It goes back
23 to you. That's a negotiation tool from your standpoint.

24 In other words, Dr. Braverman, I don't see how we
25 don't have enough land to accommodate this, and I haven't even

1 started with some other ideas.

2 What's wrong with having the permanent supportive
3 housing on the North Campus, and if you want me to consider
4 eventually approving or moving temporary supporting north, we
5 can talk about that.

6 **MR. BRAVERMAN:** So Your Honor, where I was -- what I
7 was recommending, we agree that there's available land on the
8 north part of the campus to be able to meet the expansion
9 requirements for permanent supportive housing.

10 **THE COURT:** Fair enough. Thank you.

11 **MR. BRAVERMAN:** That was something that was already
12 discussed with the special master. What we can't do is, or
13 what we believe would be inappropriate to do in order to meet
14 the timeline for temporary housing is to go into multiple level
15 structures because then that would require construction --

16 **THE COURT:** Okay.

17 **MR. BRAVERMAN:** -- that gets in the way of some of
18 the environmental and other services.

19 **THE COURT:** Let me repeat that back. Judge, if you
20 ever got to the point of working with, we all were working
21 together, don't do multiple level for temporary because it's
22 harder to tear down, quite frankly. They're permanent
23 structures. If you're going to do that, why not build long-
24 term supportive housing?

25 **MR. BRAVERMAN:** It stops being temporary.

1 **THE COURT:** Yeah, that's a really good point.

2 **MR. BRAVERMAN:** That's part of the point that we were
3 making.

4 **THE COURT:** Really good point.

5 **MR. BRAVERMAN:** Where I was going before, too, was
6 that there is a pro and a con to being on the south part of the
7 campus where a lot of construction is ongoing, whether that is
8 an actual construction lay-down site or right next to it with
9 all of the noise and the congestion and everything else that's
10 ongoing.

11 My concern with the south part of the campus for
12 temporary housing is that, number one, you're taking, I guess
13 we weigh the risk of veterans being separated from where the
14 rest of the community is on the north part of the campus versus
15 the need for less frequent visits to the medical center versus
16 more frequent visits on the north part for community
17 engagement.

18 **THE COURT:** I need your help in coming up with some
19 ratio in the future because some of these veterans have an
20 acute state that's going to -- they need to be near the
21 hospital.

22 **MR. BRAVERMAN:** And there may be -- that may make it
23 so that it's appropriate to use a couple of these locations and
24 really try to move out and take that risk of moving out some of
25 the construction lay-down areas to a more confined site. We

1 have to work with the construction company for that.

2 But my -- part of the concern is with the continued
3 construction of the Metro, which is just north of that parcel
4 3, with the continued -- or with the new construction of the
5 hospital, with the new construction of a garage, with the new
6 construction of the central utility plant, that just getting
7 around that area, even for our veterans who don't live there
8 but need to get to the hospital, is going to be very difficult.

9 **THE COURT:** Okay.

10 **MR. BRAVERMAN:** And I absolutely want to take that
11 into consideration and make sure that we've exhausted the
12 options on the north part of the campus --

13 **THE COURT:** Understood.

14 **MR. BRAVERMAN:** -- before we start moving to the
15 south part of the campus. That's where that is.

16 **THE COURT:** If you notice so far, look at the diagram
17 for a moment up on the -- I haven't touched 3, have I? In
18 other words, I didn't mention in our conversation number 3,
19 which is 6A and 6B, that's that parking lot. See number 3?
20 That's a massive parking lot.

21 **MR. BRAVERMAN:** That's the veteran parking lot for --

22 **THE COURT:** 6A and 6B. Now, I'm not living out at
23 your facility, but I can tell you that if I walk around by the
24 Culinary Center and I continue on around, you've got another
25 massive parking lot on the other side of the hospital. I

1 haven't seen that parking lot over 20 percent filled.

2 Let me repeat that. And I'll invite you to go out
3 there with me at any time you'd like to, or I'll go with you.
4 You can pick a random time.

5 That parking lot is virtually available all the time.
6 And I've never understood 6A and 6B, but I don't like hearing
7 that I've got to build an underground garage there because that
8 takes time, effort, money. It's nonsense. So I don't know why
9 6A and 6B aren't available. And you've got plenty of lay down
10 room in the back of that hospital. I'll walk that with you.
11 It's stunning how much room you have. And you've got plenty of
12 parking on the other side of that hospital.

13 So I don't understand GSA or whoever coming back and
14 representing to you that they need these four or five parcels.
15 This is absolute nonsense.

16 **MR. BRAVERMAN:** So some of those lots that you're
17 referencing are actually the sites of where these buildings are
18 going. So -- and I don't have that chart in front of me, but
19 that was part of the exhibit that we had, and I think we were
20 discussing that on the last day of the -- or next to last day
21 of the trial.

22 **THE COURT:** All right. Between number one, number
23 two, and that parking lot that hasn't been --

24 **MR. BRAVERMAN:** So those three -- the one, two, and
25 three are not where the buildings are.

1 **THE COURT:** No, that's right.

2 **MR. BRAVERMAN:** To the right of those, or to the
3 east --

4 **THE COURT:** So you and I are going to work together
5 and hopefully come up with this. 1 and 2 are off your charts.
6 That's going to be, hypothetically, temporary supportive
7 housing. So look at 1 and 2. You've lost those, okay?

8 Number -- see number, see that parking lot we have it
9 penciled in? It's right next to number 2. That is massive.

10 **MR. SILBERFELD:** I have another picture that shows
11 it.

12 **THE COURT:** Now, show that parking lot for goodness
13 sakes. I could take you all out there again, but I don't think
14 you want to go with me. It's a massive parking lot.

15 Well, you need to bring it up so we see that parking
16 lot. There we go. See that light colored green in there?
17 There's your parking lot. How many cars park there?

18 **MR. BRAVERMAN:** Right now, there are no cars parking
19 there. It just got resurfaced, but my understanding is that
20 that is for employee parking once all of the construction
21 starts that replaces that.

22 **THE COURT:** That building is so small in terms of
23 personnel that you have.

24 **MR. BRAVERMAN:** No, it's not for that building. It's
25 the employee parking for the hospital.

1 **THE COURT:** You have so much room in 6A and 6B if I
2 don't touch it, and you have so much room on the other side of
3 that hospital for parking that I'm not accepting that. In
4 fact, your parking lots are not filled, and you can take me out
5 there any time. Call me on the spur of the moment. They're
6 not filled. They're not even close to being filled.

7 **MR. BRAVERMAN:** I accept your assertion.

8 **THE COURT:** Okay, go with me any time. I'm
9 challenging you to do that. Call me up. They are
10 underutilized, and you have mass -- in fact, you want some
11 pictures?

12 **MR. BRAVERMAN:** No, I don't need any pictures.

13 **THE COURT:** Okay. I'll show you how vacant those
14 parking lots are.

15 **MR. BRAVERMAN:** Right.

16 **THE COURT:** And, Mr. Hueston, you can pull those up.
17 In fact, why don't you talk to Dr. Braverman and tell him what
18 you saw out there so I'm not -- and, Don, where are you? You
19 can also chime in in just a moment. And I'll pull up some
20 pictures of these parking lots at random times, and you tell
21 me.

22 Go ahead, John.

23 **MR. HUESTON:** Sure. We, I think it was two Sundays
24 ago, walked most of the acreage at the VA property, and there
25 were -- every single parking lot was maybe 10 percent occupied.

1 **MR. BRAVERMAN:** Which we would expect on a Sunday.

2 **MR. HUESTON:** On a Sunday. Well, but I think the
3 Judge has been there other times, and remarked to me that the
4 parking wasn't much different than what he saw on the weekdays.

5 **THE COURT:** Yeah. Could you transfer this team? See
6 if you can put this up on the screen. You tell me the day of
7 the week you want to go out there. See if you can transfer
8 that over. And we're going to just put up a couple pictures.
9 Okay.

10 **MR. BRAVERMAN:** Your Honor, I appreciate the pictures
11 that you're giving --

12 **THE COURT:** No, bear with me. Bear with me.

13 **MR. BRAVERMAN:** You're giving an accurate
14 representation of what is there now. The challenge is that a
15 lot of the existing parking is being taken down as part of the
16 construction and pre-construction phases.

17 **THE COURT:** No, because remember in our conversation,
18 I haven't taken 6A and 6B from you yet, have I? In other
19 words, I've been giving you generously all of the parking on
20 each side of that hospital. I haven't even mentioned 6A and
21 6B, which is number 3 on our map.

22 **MR. BRAVERMAN:** That's right. And typically, the
23 north part of number 3 --

24 **THE COURT:** I haven't taken it from you.

25 **MR. BRAVERMAN:** -- is filled during the day. Now,

1 what's not always filled is the south part of that. In fact,
2 that was a location that we used to build a 25-bed mobile
3 hospital during COVID because it wasn't one that was occupied
4 on a regular basis.

5 **THE COURT:** Okay, I'm not going to challenge you.
6 I'm just going to invite you to invite me to go out. Anytime
7 you want.

8 **MR. BRAVERMAN:** Yes, Your Honor.

9 **THE COURT:** Okay, and we'll take some pictures
10 together.

11 **MR. BRAVERMAN:** Thank you. So I'm not disagreeing
12 with your information there.

13 **THE COURT:** Make sure you put this up on the screen.

14 **MR. BRAVERMAN:** Same thing with the triangular
15 parking lot parcel there that's --

16 **THE COURT:** Okay, you've got a standing offer from
17 me. We can debate this, but these parking lots are little
18 used, unfortunately. And that's my impression on multiple
19 occasions. So prove me wrong.

20 **MR. BRAVERMAN:** And my point is that we need to
21 assess that associated with the construction plan and identify
22 the population where it would be appropriate, where the risk is
23 greater if they were on the north part of the campus versus if
24 they're on the south part of the campus in terms of needing the
25 clinical care versus the community care.

1 **THE COURT:** I'm just looking at the parking lot
2 closest to the freeway because I get east and west confused.
3 Okay? So let's call this the east parking lot as you go around
4 the Culinary Center. Do you want to see a picture of 6A and
5 6B?

6 **(Pause)**

7 **MR. HUESTON:** Your Honor, may I ask a clarifying
8 question?

9 **THE COURT:** Please.

10 **MR. HUESTON:** So when you say future construction
11 will occupy some of what we're seeing, are you counting your
12 estimation of yardage for projected laydown yards in the way
13 that you presented that at trial? Because that was contested.
14 The notion that the construction would require, instead of what
15 plaintiffs presented, just in time maybe, you know, needing a
16 fraction of what the VA said your, I guess, GSA was estimating
17 in terms of acreage for laydown yards. So I assume it's the
18 laydown yards that is constituting most of what you're
19 describing as an impingement on the parking lots that currently
20 look vacant.

21 **MR. BRAVERMAN:** Some of that is. And what -- I mean,
22 I heard that notion of contesting during our lunchtime meeting
23 earlier today, and that's why I'm saying that I think it would
24 be appropriate to take a re-look at that and identify which
25 parts of that still might be necessary after there's pushback

1 and say you don't need all of this, and say which ones do we
2 need, and then be able to make those available. So there's a
3 couple of different stages here.

4 The first stage is to get agreement on the type of
5 modular units that will be put on, identify what the scope of
6 those are, how long it would take to procure, and then at the
7 same time as we identify the where's, keeping these as
8 potential locations, that gives us a chance to go back to the
9 contractor and say where can the laydown space be shrunk and
10 appropriate to make some of these locations available. So
11 that's where I'm --

12 **THE COURT:** Okay. This is a very simple question.
13 Do we have enough room for 750 temporary, and do we have enough
14 for 1,800 long-term supportive housing on the North and South
15 Campus? And if it's no, then I need the UCLA baseball field,
16 and I need 22 acres or some acreage from Brentwood School.

17 **MR. BRAVERMAN:** Well, I believe the answer to that
18 would be, as far as available space, the answer is likely yes.
19 I think part of that discussion --

20 **THE COURT:** So we might be able to preserve
21 Brentwood's track, we might be able to preserve a swimming
22 pool?

23 **MR. BRAVERMAN:** We would absolutely take a look at
24 that. Part of it is to identify -- so the other piece is that
25 some of this would be in a staged process because we may not

1 have --

2 **THE COURT:** Yeah, sure. Yeah, we work together on
3 that. Obviously, we're not going to do this.

4 **MR. BRAVERMAN:** We also may not need all of those
5 units when it comes, you know --

6 **THE COURT:** Absolutely, and plaintiffs said that also
7 in their findings -- or their request to the Court. They
8 recognized that we needed to adjust along the way.

9 **MR. BRAVERMAN:** Yes, but so we believe that
10 there's --

11 **THE COURT:** Put that up, would you, Ellie?

12 **MR. BRAVERMAN:** -- there's space. It's the
13 procurement, it's the utilities, it's the specific locations --

14 **THE COURT:** Now, hold on a minute. What's that?
15 What's that?

16 **MR. BRAVERMAN:** So, this is -- yeah, so this is -- it
17 looks to me that this is the parking lot near UCLA, Jackie
18 Robinson stadium --

19 **THE COURT:** Yeah, just off Jackie Robinson Stadium.

20 **MR. BRAVERMAN:** Right. That's associated with --

21 **THE COURT:** And what we've done so far is we've
22 literally cut that minimally in half. That is a huge parking
23 lot. I haven't seen more than one or two cars on that parking
24 lot. Contradict me. You tell me how this parking lot is used
25 and when I can go out and see even more than five cars on that

1 lot.

2 **MR. BRAVERMAN:** Yeah, and right now part, and I don't
3 know if it's how much of that lot is designated as Phase 2 for
4 the -- building the columbarium --

5 **THE COURT:** I don't care what it's designated for. I
6 mean, we can change those designations from cemetery over to
7 the other segment. It's not being used by anybody, by the way.

8 **MR. BRAVERMAN:** I understand.

9 **THE COURT:** If the chancellor was here, maybe he
10 could save UCLA's baseball stadium.

11 **MR. BRAVERMAN:** I understand. It means that the
12 future use for a columbarium would then have to be --

13 **THE COURT:** It's paved. How do we use it for a
14 columbarium? It's paved. It's paved.

15 **MR. BRAVERMAN:** A columbarium is above ground.

16 **THE COURT:** Oh, well, when I walk this, I walked the
17 present columbarium, and this isn't part of your present
18 columbarium, is it? I don't see any plans.

19 **MR. BRAVERMAN:** No, it's for the future Phase 2 part
20 of the expansion of the columbarium. So it's the National
21 Cemetery Administration's plan for that. And I --

22 **THE COURT:** Okay. Well, it's certainly unused at the
23 present time, and if I have to pick between the living and the
24 dead, I think I'll pick the living.

25 **MR. BRAVERMAN:** It's not -- and where I was going to

1 go next, Your Honor, is that especially if we're talking about
2 temporary housing, then that may be a prime opportunity to use
3 that because it would be temporary and then could be removed at
4 that time in which it gets --

5 **THE COURT:** The more property we disqualify, whether
6 it's Barrington Park -- hold on, the more property we
7 disqualify concerning Barrington Park, which we have these
8 concentric circles, the more I'm told that we don't have
9 property. That just guarantees exactly what I'm going to do in
10 terms of Jackie Robinson Stadium and Brentwood School.

11 **MR. BRAVERMAN:** Your Honor, I'm not disagreeing with
12 you here. What I'm saying is that this could be a very good
13 location for temporary housing, because in the event that it
14 gets turned over for columbarium use, we may no longer need the
15 temporary housing.

16 **THE COURT:** And you may have come up with a solution
17 just in our dialogue today, and I appreciate that.

18 **MR. BRAVERMAN:** Right, and that's on the north part
19 of campus, which is consistent with what we were trying to
20 do. So my point is that there are locations that we can
21 continue to review to put temporary housing on the north part,
22 allow for community access, but there are caveats with all of
23 these that we have to examine from parcel to parcel.

24 **THE COURT:** And here's what I'm worried about. I'm
25 worried about getting slow walked, not by you, and I don't mean

1 that disrespectfully, but one meeting with somebody, with
2 somebody, who makes this decision? Who do I go to as a
3 decision maker who cuts through this bureaucracy so we move
4 these projects? Because I'm not going to get slow walked on
5 this.

6 **MR. BRAVERMAN:** No, so the Greater Los Angeles
7 Healthcare System team will continue to work with identifying
8 those locations, and we will continue to work on identifying
9 the type of housing, who those manufacturers may be in order to
10 get them. We do have to identify the funding source or the
11 funding stream for that, and I'm just being honest with you
12 there because that's unknown at this point. But all of those
13 are concurrent assessments that are part of the process.

14 So the approval process for that will rest with the
15 VA Greater Los Angeles team to identify those sites and move
16 forward with the project. So I'm not concerned. I'll just
17 stop there.

18 **THE COURT:** Who makes the decision? Who cuts through
19 this bureaucratic maze?

20 **MR. BRAVERMAN:** So the decision I just said would be
21 made through the VA Greater Los Angeles Healthcare System
22 leadership.

23 **THE COURT:** Who?

24 **MR. BRAVERMAN:** Well, Rob Merchant is the director
25 here.

1 **THE COURT:** Oh, have him come on up.

2 **MR. BRAVERMAN:** And I am the network director that
3 oversees that, and we will forward that information and go
4 through that.

5 **THE COURT:** How do we cut through this slow walk and
6 bureaucracy? How can you help us? No, not you. The gentleman
7 next to you. He seems to have Mr. McDonough's ear, so.

8 **MR. MERCHANT:** Thank you, Dr. Braverman.

9 So I concur with everything that Dr. Braverman has
10 said. There are certain things that we need to look at so that
11 we see all the exigencies and make sure that we're making the
12 best decisions, the right decisions for veterans.

13 **THE COURT:** How long would that take?

14 **MR. MERCHANT:** I think we can do this rather
15 quickly. We made significant progress. I've been working with
16 the --

17 **THE COURT:** I'm sorry. How long would that take? A
18 month? A year? I don't know what -- how long would that
19 take? In other words, if we're really working together and
20 trying to come out the same side, as Brad said before, if we're
21 all on the same team eventually, how long would this take?

22 **MR. MERCHANT:** In terms of finding the locations?

23 **THE COURT:** Yeah. Making a decision about these
24 locations, temporary and long term. And right now, I've got to
25 take away Barrington Park for the moment, which I really don't

1 want to. I'd love to have those nine or ten acres up there.

2 **MR. MERCHANT:** No, I understand that. And one thing
3 I should also point out is that as we are looking at the
4 temporary housing locations, the area adjacent just east of
5 where safe parking is toward the retaining wall, 4405, is the
6 anticipated location for our SoCal Edison substation that will
7 support the new hospital when it's built.

8 **THE COURT:** Okay. Fair enough.

9 **MR. MERCHANT:** So that area is also --

10 **THE COURT:** So I'll just take the safe parking area
11 now, which is about an acre and a half, and I'm going to take
12 that all the way. Is that Ohio? I forget the street.

13 **MR. MERCHANT:** It is. Yes, Your Honor.

14 **THE COURT:** So I'll take all the way out to
15 Ohio. I'm going to have another probably acre there. I've got
16 two and a half acres, and you can have your power station. By
17 the way, you've got a power station on the other side.

18 **MR. MERCHANT:** We do.

19 **THE COURT:** Did you know that?

20 **MR. MERCHANT:** Yes.

21 **THE COURT:** Okay.

22 **MR. MERCHANT:** Yes, we do.

23 **THE COURT:** So I'm giving you everything you
24 want. How long is this going to take? A month? A year?

25 **MR. MERCHANT:** Right now, I would just be

1 speculating, Your Honor. I don't want to give you an answer
2 that's just --

3 **THE COURT:** Speculate then, because I need to draw
4 milestones in an injunctive relief to be reasonable, and I'm
5 trying to get your input right now. But what I'm not willing
6 to do is have undefined good faith period of time.

7 Now take your time with this.

8 **MR. ROSENBERG:** Can I ask a clarifying question? You
9 referred to how long will this take. Can you clarify what the
10 "this" is?

11 **THE COURT:** Yes, this being the temporary housing to
12 begin with, in terms of site determination, because I'm not
13 accepting Dr. Braverman's representation about the parking
14 lots. You've got plenty of laydown room out there, and when
15 this was originally presented to me, you took every one of
16 these parking lots on the south side and made them a laydown
17 yard, which is ridiculous.

18 I've also got, by the way, the front of the
19 governor's mansion. I've got plenty of room. I want to know,
20 to begin with, how long will it take for temporary, and assume
21 750 , although I'm really debating that. Let's just say 500,
22 okay?

23 **MR. ROSENBERG:** And again, just to, I hate to --
24 clarifying question for the Court.

25 **THE COURT:** 500 temporary supportive housing. How

1 long will it take to make the determination about what lots
2 these will go in? Write that down.

3 **MR. ROSENBERG:** And is the Court also asking for the
4 completion of the temporary housing with this question?

5 **THE COURT:** The decision to be made initially, just
6 to make a bureaucratic decision.

7 **MR. ROSENBERG:** One moment, Your Honor.

8 **THE COURT:** In other words, if I'm going to write
9 injunctive relief, do I tell you 30 days? Do I tell you 60
10 days? What's my milestone here?

11 And, John, I apologize for cutting you off, but we're
12 going to do this piece by piece.

13 **MR. MERCHANT:** Your Honor, we anticipate 30 days.

14 **THE COURT:** Okay. Outstanding. Let's say 45 days,
15 okay? In other words, I'm trying to give you plus.

16 **MR. MERCHANT:** No, I appreciate that. And I want to
17 give you an accurate answer.

18 **THE COURT:** You notice I'm rounding off the acreage
19 in your favor right now.

20 **MR. MERCHANT:** I see.

21 **THE COURT:** Okay? Okay, 30 days. And after that
22 determination, then why would I write injunctive relief
23 today? Why wouldn't I see if this milestone is met working
24 together in good faith?

25 **MR. MERCHANT:** We would appreciate that.

1 **THE COURT:** Now, in six months, counsel has asked for
2 long-term supportive housing. If I wrote injunctive relief
3 right now, I would simply leave that on the table for six
4 months for a master plan for long-term supportive housing. But
5 right now, I don't have enough information to know what the
6 infrastructure is on some of these pieces of property because
7 of all these red lines from 2020.

8 How do I get the information about the present
9 infrastructure so a Court makes a reasonable determination,
10 along with you, about what's possible? We're working together.

11 **MR. ROSENBERG:** One moment, Your Honor.

12 **THE COURT:** Sure. In other words, some updated maps
13 without all these red lines going to MacArthur Field, et
14 cetera, which is nonsense. We have all those lines that are
15 green right now.

16 So, John, 30 to 45 days for initial determination.

17 **MR. ROSENBERG:** Your Honor, one note, if I may, on
18 the Court's indication that it may delay the issuance of
19 injunctive relief until it sees if VA has reached this
20 milestone. Is that milestone, or you've called it a milestone,
21 I think, itself a form of injunctive relief?

22 **THE COURT:** I don't know yet. We're discussing
23 that. In other words, I'm trying to work with you and not
24 against you after the initial decision. But if you don't want
25 to, that's fine.

1 **MR. ROSENBERG:** I don't know. I'm just trying to
2 understand what is transpiring.

3 **THE COURT:** And I'm trying to understand what you're
4 saying. In other words, what I'm not going to do is be slow
5 walked now. Okay? In other words, if we're going to work
6 together, we have milestones that we all work together on.
7 Sometimes they may be not possible, but we need to have some
8 idea. Otherwise, I just write the injunctive relief, and you
9 can take it up on appeal.

10 **MR. ROSENBERG:** Understood.

11 **MR. HUESTON:** Your Honor, may I make a suggestion on
12 the timeline?

13 **THE COURT:** Yeah.

14 **MR. HUESTON:** It would also be helpful. Everybody
15 here was present when we talked about potentially different
16 housing and modular housing. It might be efficient if within
17 that first 45 days there is a proposal from the VA on
18 appropriate modular housing that the plaintiffs can then
19 respond to so that we can come to consensus on that.

20 **THE COURT:** So have that discussion for a moment.
21 I'm just trying to get a rough idea if it's even possible to
22 work with you folks, or if we just want to get into an appeal
23 and that's fine.

24 **MR. MERCHANT:** No, Your Honor, we agree with that.

25 **THE COURT:** I'm sorry?

1 **MR. MERCHANT:** Yeah, we agree. We concur with that.

2 **THE COURT:** Okay. Thirty to 45 days? Okay.

3 After that determination is made for temporary
4 supportive housing, whether it's on the southside or on the
5 northside, if we had a disagreement, who actually decides where
6 that housing goes? In other words, up to this time you may get
7 a recommendation from a particular group, the VA may accept it
8 or reject it and back and forth we go. Who makes the final
9 determination? Does the Court make that final determination?
10 In other words, if we have a disagreement with Dr. Braverman
11 and let's say and we say that we think we should have 250
12 units, hypothetically, or 200 units on the south campus and we
13 accept that we need some on the north campus, how is that
14 resolved? Because so far it doesn't seem to be functioning in
15 the present system because of all of these delays in all of
16 these years. Who makes that final determination?

17 **MR. MERCHANT:** Well my hope would be that working
18 together with the plaintiffs' counsel, all the parties together
19 with the monitor, we would be able to arrive at consensus.

20 **THE COURT:** And if you don't who makes the final
21 determination so it isn't slow walked?

22 **MR. MERCHANT:** I would expect that we would probably
23 find ourselves back here.

24 **THE COURT:** Huh?

25 **MR. MERCHANT:** I would expect we would probably find

1 ourselves standing right back here.

2 **THE COURT:** Okay. So if I were going to work with
3 you, then I would expect that the Court at some point would
4 have to break that logjam. I'd have to be educated, I'd have
5 to listen more to Mr. Kennel (phonetic), (inaudible) Mr. Kuhn,
6 you, Dr. Braverman. I'd have to listen more to Soboroff and
7 Johnson, et cetera. But I would expect if we're working
8 together at some point, I'm not willing to see a discord occur
9 where there's delay. Okay?

10 All right. Can we construct 750 units after this
11 initial evaluation of the location within 18 months?

12 Now hold on, I'm just going to kid you a little bit.
13 Put up the picture of Gorey Georgia Stallon's (phonetic)
14 birthplace for a moment.

15 **(Pause)**

16 Can we do this?

17 **MR. MERCHANT:** Your Honor, I spent five years working
18 in Baghdad on a pervensual (phonetic) reconstruction team,
19 working with USAID.

20 **THE COURT:** Probably ran into you up there. Do you
21 recognize me at all? I do a lot of work over there. I'm up
22 north near Silamonty (phonetic) and up near Da Hook (phonetic)
23 in those refugee camps. We had a problem with terrorists
24 coming in and using those camps.

25 **MR. MERCHANT:** We do.

1 **THE COURT:** Yeah, we do.

2 **MR. MERCHANT:** So again, I would need to consult with
3 my colleagues from OAEM (phonetic) and other letters.

4 **THE COURT:** You know our country can do this, don't
5 you? You know our country. You've seen Baghdad built out,
6 haven't you? You know darn well what my country can do and
7 your country can do.

8 Sixty days? Those are permanent structures. Those
9 aren't even modular. That's USAID (phonetic). And that's
10 Agory, Georgia (phonetic).

11 **MR. MERCHANT:** This is why as we look at the
12 temporary units, we are looking specifically at those that
13 require the least --

14 **THE COURT:** Exactly.

15 **MR. MERCHANT:** -- regulatory roadblocks.

16 **THE COURT:** And that's why I'd like to work with you
17 because I don't want to build out permanent modular, let's say.
18 I'd like to see that money go into long-term supportive housing
19 and work with you so as we go I think that the plaintiffs are
20 going to start adjusting also. And working together I think we
21 can reach an accommodation along the way when we're not heaping
22 a huge cost on the VA and ending up with empty modular housing.
23 And that's why I like modular, it's movable. Maybe we'll give
24 one to Governor Newsom okay? Just kidding you.

25 But the point is that this permanent supportive

1 housing can get costly for us. So tossing out the offer I'd
2 like to work with you.

3 **MR. MERCHANT:** And we would like to work with the
4 Court, with Monitor, with all the parties.

5 **THE COURT:** Okay.

6 **MR. MERCHANT:** As a veteran myself, that's what I am
7 pledged here to do.

8 **THE COURT:** Worst-case scenario, can we put up 750 of
9 these, Mr. Soboroff, in your modular housing which is now one
10 story? And once you make this one story, then I've got to go
11 into north campus or either take 6-A and 6-B from the VA.

12 **MR. SOBOROFF:** Yes, sir (indisc.).

13 **THE COURT:** Come on up here, I can't hear you. And
14 that's part of 6-A and 6-B where you want to cut off the road
15 and I'm not going to let you do that.

16 **MR. SOBOROFF:** Yes, sir. But why does it take 45
17 days or why does it take 30 days to do something that we could
18 do in three meeting?

19 **THE COURT:** Well, go over and ask him that. Go over
20 and talk to the gentleman.

21 **MR. SOBOROFF:** He might hit me though. What if he
22 hits me?

23 **THE COURT:** Don't embarrass him. Mr. Soboroff, walk
24 over and talk to the gentleman because I can remain in
25 continuous session. I can be here tomorrow, the next day. In

1 fact I'm willing to devote the weekend to you.

2 **MR. SOBOROFF:** Well we sat with --

3 **THE COURT:** No, no, quietly. Have that conversation.
4 Just go in the back. There's no embarrassment here.

5 **MR. ROSENBERG:** I'd like to listen in on that, Your
6 Honor.

7 **THE COURT:** Absolutely. And Roman, if you want to go
8 back there and also listen in, you're more than welcome to.
9 He's your witness. And if we can't reach an accord then I
10 write the injunctive relief. If we can work together then
11 maybe we delay that in good faith and see what we can do
12 working as a team.

13 Let the record reflect half the courtroom is going
14 back to join in the conversation.

15 John, and I apologize to you for cutting you off.

16 **MR. HUESTON:** That's fine. Maybe while they're
17 talking we can talk about the Waverly Chapel.

18 **THE COURT:** Well, just a moment.

19 **MR. HUESTON:** Okay.

20 **THE COURT:** I want them to hear the Waverly Chapel,
21 yeah.

22 **MR. HUESTON:** Oh right, right, right. Fair enough.

23 **(Pause)**

24 And John, do you want to go -- just a moment,
25 Mr. Johnson. John, do you want to go to the Waverly Chapel

1 next? I'm happy to because we have folks waiting that might
2 want to go home. Okay. I'll take that out of order.

3 **(Pause)**

4 And for the record, I meant the Wadsworth Chapel.
5 The Waverly Chapel's in Santa Ana.

6 **(Pause)**

7 And Mr. Miller, we'll be with you in just a moment as
8 a courtesy. I promise you. If these parties would have met
9 and conferred earlier, including your client, we wouldn't be
10 going through this today. All right? And that's what's taking
11 the time. I'm a little disappointment that this didn't occur
12 during the last two weeks. I don't want to address you right
13 now.

14 **MR. MILLER:** I'm just getting some exercise.

15 **(Pause)**

16 **MR. MERCHANT:** Judge Carter, what we have agreed with
17 the plaintiffs' parties is that we will stick with the 30-day
18 timeline and agree to weekly check-in calls with the monitor to
19 demonstrate our progress in working together and that we are --

20 **THE COURT:** Is that acceptable to the plaintiffs?

21 **MR. SOBOROFF:** Yes, Your Honor.

22 **THE COURT:** All right. Now, Mr. Soboroff, does that
23 work for you and Mr. Johnson?

24 **MR. SOBOROFF:** Yes, sir.

25 **THE COURT:** Mr. Braverman, does that work for you and

1 the VA?

2 **MR. BRAVERMAN:** Yes, Your Honor.

3 **THE COURT:** Okay. John, back to you.

4 **MR. HUESTON:** Okay. Just briefly on the Waverly
5 Chapel. If I could have --

6 **MR. SPEAKER:** Wadsworth.

7 **MR. HUESTON:** Wadsworth, okay.

8 **THE COURT:** Yeah. I said Waverly and that's in Santa
9 Ana, my apology. So Wadsworth.

10 **MR. HUESTON:** Wadsworth. You know I had Wadsworth
11 and I said somebody might have I may have mis-transcribed.

12 So Ms. Barrow (phonetic) and Mr. Peck, if you could
13 just come up, if we can address this.

14 So what my understanding is, the good news is the
15 overall estimated budget has come down from original estimates.
16 It's now at 22 million. And through wonderful fundraising
17 efforts, as well as securing contingent public funds, they're
18 within two million of full budget.

19 My question was, well then how come you can't get
20 started if you're within two million and my understanding from
21 Mr. Peck -- and he'll elaborate -- is that there is some
22 contingent public funding. It won't come or be accessible
23 unless the entire amount is raised first. Is that right?

24 **MR. PECK:** That's correct.

25 **MR. HUESTON:** Okay. So that's the holdup. I guess

1 some good news is Ms. Barrow tells me and Mr. Peck that there
2 is a fundraiser that might actually achieve the final gap of
3 two million and that's going to be held on October 13th?

4 **MR. PECK:** We are hoping so. Bill Omison (phonetic)
5 and the Omison Foundation (phonetic) is one of our key funders
6 so he's agreed to speak at this October 13th fundraiser and
7 we're inviting everyone with a bunch of money. If you would
8 like to come, we'd love to have you.

9 **MR. HUESTON:** I think the judge --

10 **THE COURT:** I'll probably be there if both sides will
11 consent and I'll make a contribution. How's that?

12 Now, here's my question.

13 On Waverly Chapel, the way you have it presently
14 configured. By the way, you have a wonderful website. I want
15 to compliment you.

16 Part of that cost is the addition that the different
17 denominations are asking for in addition to the Waverly Chapel.
18 Go pull up your website. And that's adding a significant
19 amount of cost. So there's a rabbi involved, a priest involved
20 out in Santa Monica. Other denominations are involved. And if
21 you look at the Waverly Chapel, it extends to an addition to
22 the Waverly Chapel that's a healing room. Hold on. That's not
23 part of.

24 Now, what happens if we cut that out and added that
25 in the future? Now we would have enough money --

1 **MR. PECK:** If I can explain?

2 **THE COURT:** Yeah, Steve.

3 **MR. PECK:** Wadsworth Chapel.

4 **THE COURT:** Did I say Waverly again?

5 **MR. PECK:** Waverly is in down in San Pedro I think --

6 **THE COURT:** For the record, every time I say Waverly,
7 I mean Wadsworth. Okay.

8 **MR. PECK:** Yes. So the 22 million is the pure
9 construction cost. We are going to be operating a moral injury
10 treatment program in that chapel in partnership with the VOA.
11 That's a separate budget. That service budget is separate. So
12 the 22 million is just to renovate the chapel.

13 **THE COURT:** Okay. This 22 million is just --

14 **MR. PECK:** And if it said something different on a
15 website, that is out of date.

16 **THE COURT:** On your website I think your total cost
17 was 27, wasn't it?

18 **MR. PECK:** It was -- it was actually 28 until about a
19 week ago. We changed general contractors to get a lower price.

20 **THE COURT:** So let me repeat back what I've absorbed.
21 We can't start because we're two million dollars
22 short.

23 **MR. PECK:** Correct.

24 **THE COURT:** And that also includes the --

25 **MR. PECK:** That's just the construction.

1 **THE COURT:** -- that does not include the healing
2 room.

3 **MR. PECK:** That's just the construction of the chapel
4 which and half of it will be tailored to the Moral Injury
5 Treatment program.

6 **THE COURT:** Now there's a gentleman named Mr. Tillman
7 (phonetic) who was a crook and there's five million dollars
8 sitting over in a fund right now with the VA. Can any portion
9 of that restitution amount of five million dollars be used
10 towards the chapel? Step over and talk to the VA. They're
11 very generous. Just walk over and talk to them.

12 **MS. BERRY:** That would be nice.

13 **THE COURT:** Well just walk over and talk to them.
14 Because two million dollars seems like chump change to get this
15 going and we need a beacon out there. Believe it or not,
16 veterans love God because they're in combat and they think
17 they're going to die so let's get this thing going.

18 **MS. BERRY:** I'm trying to figure out how to say no.

19 **THE COURT:** No? Well go talk to them. I don't
20 believe that, frankly. I think all sorts of bureaucratic
21 things can be thrown up and I think you can get two million
22 dollars. Now you go back and talk to them.

23 So John, I don't know of any impediment to getting
24 five -- or two million dollars out of this five million dollars
25 left in this fund, although I'm going to be told that they

1 can't do that in just a moment. Trust me. Nonsense.

2 And if you need my protection, counsel, I'm happy to
3 order it and that will protect you from the bureaucracy.

4 Counsel, let me repeat so you're hearing. I'm happy to order
5 it and take the responsibility for this to protect the VA.

6 **MR. ROSENBERG:** We're discussing the issue right now,
7 Your Honor.

8 **THE COURT:** I think we can get two million out of the
9 five million that this crook took. And let's get this going so
10 we have a beacon that welcomes veterans, quite frankly, and we
11 have a place for them to pray; otherwise they're going to be
12 out in your community.

13 **(Pause)**

14 **MR. ROSENBERG:** My understanding, Your Honor, is --
15 my understanding, Your Honor, is that the money, the
16 restitution goes into the Lease Revenue Fund which has
17 restrictions on its usage under the West Los Angeles Leasing
18 Act which of course is the statute that Plaintiffs have
19 primarily relied upon for any -- many aspects of their claim.
20 So that would be an issue that would need to be examined --

21 **THE COURT:** What would you do if I just ordered it?
22 Now go back and talk about that for a moment.

23 **MR. ROSENBERG:** No, I will say that like that like
24 other forms of relief that the Court may enter would be
25 something that might ultimately have to be examined by the

1 solicitor general as to whether or not that would be an order
2 worthy of appeal.

3 **THE COURT:** And how long would that take?

4 **MR. ROSENBERG:** Solicitor general is 60 days from the
5 entry of a judgment.

6 **THE COURT:** Okay. So just go back and hypothetically
7 just assume that the Court just ordered that. Took the
8 responsibility off of the VA, protected the VA from criticism.
9 The Court would be criticized for it potentially. Solicitor
10 general would look at it.

11 **MR. ROSENBERG:** I can't speak to what decision the
12 solicitor general --

13 **THE COURT:** No, I can't either.

14 **MR. ROSENBERG:** -- would or would not make.

15 **THE COURT:** But go out and talk to the folks. I'm
16 willing to take a flyer. Go back and talk to them, Brad.

17 **MR. ROSENBERG:** It's not their decision.

18 **THE COURT:** Huh?

19 **MR. ROSENBERG:** Talk to them about what? I'm a
20 little bit confused.

21 **THE COURT:** If I made that order.

22 **MR. ROSENBERG:** If you made the order?

23 **THE COURT:** Yeah. Let the solicitor general take a
24 look at it. Tell him he doesn't like -- have him tell me he
25 doesn't like --

1 **MR. ROSENBERG:** That would be -- I mean --

2 **THE COURT:** -- chapels.

3 **MR. ROSENBERG:** My apologies. I did not mean to --

4 **THE COURT:** No, my apologies to you.

5 **MR. ROSENBERG:** -- speak over you.

6 That's ultimately a decision for the solicitor
7 general. If the Court were to issue that as a part of its
8 final judgment in this case -- which it has not yet done -- and
9 I can't get ahead of the solicitor general on any decision-
10 making process.

11 **THE COURT:** Oh, I know that, I hear that. But go
12 back and participate for just a moment. They're trying to
13 raise two million dollars and from my perspective it's
14 ridiculous when we've got 20 million dollars in the bank not to
15 get started.

16 **(Pause)**

17 In other words, let's find a way to say yes and get
18 this chapel going.

19 **MR. ROSENBERG:** One other note, Your Honor, is that
20 of course funds in the Lease Revenue Fund can also be used, for
21 example, for the construction of --

22 **THE COURT:** Come up. Find me two million dollars,
23 folks. Go back and talk. We've got 20 million dollars in the
24 bank, we can't get started.

25 **MR. ROSENBERG:** I mean I don't --

1 **THE COURT:** They've having a conversation behind you,
2 Brad. You might want to participate.

3 **MR. ROSENBERG:** I understand that they're having that
4 conversation. I don't think that there's anything else that we
5 can add at this point.

6 **THE COURT:** Okay. So can I do this, Brad, or not?

7 **MR. ROSENBERG:** You are an Article III judge, I am
8 not. So I do not -- I would -- Your Honor, I will say this. I
9 don't think that it would be appropriate for you to order
10 that -- those Lease Revenue Funds or --

11 **THE COURT:** Don't worry about that. To kick off this
12 project I'm willing to be inappropriate.

13 **MR. ROSENBERG:** It would be taking money that could
14 otherwise be used to provide housing for homeless veterans and
15 it may become --

16 **THE COURT:** Well --

17 **MR. ROSENBERG:** -- and it may become moot if they're
18 able -- if it's only two million dollars -- which is what the
19 Court just said -- then they're awfully close to hitting their
20 target. And they may be able to hit their target on their own
21 and then get the matching funds and the Court need not take
22 that action. And in the meantime there's funds that can be
23 used for homeless veterans to provide housing. And so the
24 efficient use of the funds would be to see if they can make
25 that goal.

1 **THE COURT:** It's chump change and here's why. If
2 we're going to provide housing we're talking about 100 million
3 dollars, we're not talking about two million dollars and that's
4 temporary housing. So two million dollars is a small amount of
5 money, frankly.

6 **MR. ROSENBERG:** If I may say something on that, Your
7 Honor. It adds up. I mean the Court's -- the Court's opinion
8 imposes enormous financial burdens on (inaudible) VA.

9 **THE COURT:** (inaudible).

10 **MR. ROSENBERG:** And I'll note that VA has currently
11 just received a supplemental appropriation because it's a
12 couple billion dollars in the hole for this year and I believe
13 it's several billion dollars in the hole for next fiscal year.
14 But then when you add on top of that the injunctive relief that
15 the Court has ordered regarding the four land use agreements,
16 that also deprives VA of money that it could be using to
17 support homeless services and construction of housing. So
18 whether it's the money from Safety Park which is a net revenue
19 for VA or donations made by Bridgeland or the Brentwood School
20 or UCLA, that becomes real money when you start to add it up.
21 And when you add that to the other financial costs that the
22 Court's order would impose on VA, we would say that we need to
23 tread carefully and efficiently in terms of how those resources
24 are allocated.

25 **THE COURT:** Okay. Any other comments? Roman? Brad?

1 You folks over trying to raise this money for the Waiver -- or
2 I'm sorry -- for the Wadsworth Chapel?

3 And I'll tell you, there's a tremendous benefit.
4 First of all, for the community, you want your veterans on
5 campus praying. You don't want them scattered throughout the
6 neighborhood apparently. Number two, anybody who's been in the
7 military and faced combat knows that they'll all of a sudden
8 find God. It's just as simple as that. Now they may break all
9 of their promises in the future that they made to God but your
10 veterans out there who've seen combat, all found God at one
11 time in a foxhole, trust me. So you need this chapel out
12 there. Not only as a community center, you need it for the
13 healing process that's going on. Now I'm not putting religion
14 out in front but I am saying veterans do need that.

15 **MS. BERRY:** I'd like to speak to the importance of
16 the chapel. The chapel, oldest building on Wilshire Boulevard
17 was built for \$14,000 by the federal government. It is a
18 microcosm. You went inside, Judge, and I'm very glad that you
19 did. It is a microcosm of what has happened to the property in
20 general.

21 For 30 years after it was put on the national
22 register, it was allowed to rot. There has been more than one
23 foundation, more than one interested party, trying to put it
24 back together. It's a symbol of the heart of the property.
25 It's a symbol, a beacon of hope for all veterans who drive by

1 who can see that the property is being put back together.

2 It is as important as a basketball field. It's as
3 important as a healing garden which is what one person at the
4 VA was going to spend that lease money on. It is probably the
5 most important building on the property, combined with the
6 Center for Moral Injury where soldiers, men and women, can heal
7 from the wounds of war. There is no more important building on
8 the property.

9 The government let it fall apart. They are looking
10 to private entity and the community to put it back together and
11 we have been trying and we are only two million short and we
12 will do it but to me it is without a doubt the most important
13 symbol of the home that was built in 1887.

14 **THE COURT:** First of all, thank you for making this
15 effort.

16 **MS. BERRY:** Thank you.

17 **THE COURT:** And second, could you cut your costs if
18 lots of volunteers in the military or former military showed up
19 to help clean that place up? In other words I know you've got
20 liability but I guarantee you that I -- see a hand up already
21 and I know Steve just put his hand up and I can probably
22 through Steve and some other sources raise 20 or 30 veterans on
23 a weekend.

24 **MS. BERRY:** So could we.

25 **THE COURT:** And so if we start cutting your costs,

1 what could you do with 20 or 30 volunteers a couple of
2 weekends?

3 **MS. BERRY:** From the inception of trying to put the
4 chapel back together, Dr. Sharon has always spoken about
5 veterans working on the chapel and we have had so many people
6 offer.

7 **THE COURT:** So could we decrease our costs? In other
8 words, could we get this down in good faith to 20 million
9 dollars with a lot of volunteer help? And a lot of us can't
10 show up on a weekday but what about weekends? I mean we can
11 clean that place up. Now you've got liability issues, I
12 understand that.

13 But number two, how can we have a veterans garden
14 that the VA is willing to pay for and not have a chapel?

15 **MR. PECK:** I agree with you completely on that. It
16 is an historical building and has to be put back together the
17 way it was built more than a hundred years ago and there are
18 very stringent rules around that and so we can't -- we can't
19 put a bunch of volunteers in there who really don't know how to
20 do anything but clear stuff out. We can clear stuff out but
21 that's a few hundred bucks but it has to be built from ground
22 up and is rotting from the inside out.

23 **THE COURT:** So the real costs isn't cleaning it up,
24 the real cost is just the construction for the 22 million.

25 **MR. PECK:** That's correct. We're working on a plan

1 now simply to preserve it so it doesn't deteriorate any
2 further.

3 **THE COURT:** John, do you have questions?

4 **MR. HUESTON:** No, I don't.

5 **THE COURT:** Okay.

6 **MS. BERRY:** No.

7 **THE COURT:** Well --

8 **MS. BERRY:** Thank you.

9 **THE COURT:** I don't know if I'm willing to make the
10 order but my guess is I'm willing to make that order and stand
11 the criticism from the solicitor general or being turned down
12 so we'll see and then you can take me up to the Ninth Circuit
13 on that, okay? Well let me think about that for a while.

14 So John, back to you please.

15 **MR. HUESTON:** So we had further discussions with the
16 Brentwood School representatives and they are prepared to make
17 a new proposal and I think Mr. Miller is approaching the
18 lectern with that proposal.

19 **THE COURT:** And I know you, Skip, and I appreciate
20 you being here. By the way, I want that on the record and I
21 appreciate your colleague from the Brentwood School being here.

22 **MR. MILLER:** Likewise, mutual, Your Honor. It's a
23 pleasure to appear in front of you.

24 We made a substantially enhanced proposal. It's in
25 the nature of a settlement proposal. I'd rather not go

1 public --

2 **THE COURT:** No, I want it public. In other words, I
3 want to know. I'm done with the backroom discussion. Where
4 are we at on this thing? If you two don't want to share it
5 then I'm going to move on.

6 **MR. MILLER:** Well --

7 **THE COURT:** No, we're done with all the backroom
8 phone calls. What's the proposal?

9 **MR. MILLER:** It's not backroom. We emailed it.
10 Specifically we --

11 **THE COURT:** This isn't the typical settlement. This
12 is public interests now. What is the proposal?

13 **MR. MILLER:** Okay. Let me look it up. I have it on
14 my phone. We emailed it to Mr. Hueston and I'll just read it
15 out loud and explain it briefly.

16 We will recommend -- council and the chairman of the
17 board will recommend to the board of trustees as follows:

18 Brentwood School will give back the land currently
19 occupied by the back softball field, all the way through the
20 parking lot, including three of the tennis courts.

21 **THE COURT:** Skip, show me that on a map. We're going
22 to put a map up there for just a moment so we have absolutely
23 clarity.

24 **MR. MILLER:** It's roughly four and a half to five
25 acres.

1 **THE COURT:** Hold on.

2 **MR. MILLER:** I don't know if I can find it.

3 **THE COURT:** All right. Now, you'll need to bring
4 that down a little bit on the chart.

5 **MR. MILLER:** Maybe I can get some help.

6 **THE COURT:** Now, would you repeat that please?

7 **MR. MILLER:** Yeah.

8 **THE COURT:** Oh, that's excellent. Thanks, Skip.

9 **MR. MILLER:** That's better, yeah.

10 Okay. The tennis courts are the right in the middle
11 there's six tennis courts. Now we lost it.

12 You see there's right in the middle of the picture
13 there's six tennis courts.

14 **THE COURT:** I know where they are.

15 **MR. MILLER:** Okay. So it would be three of the
16 tennis courts, then the parking lot below it, and then the
17 softball field below that. It's more accessible and easier to
18 build on than the Parcel 9. It's approximately the same size.

19 And what we would also do it's more easily accessible
20 to the Brentwood Village community.

21 We'd also build -- Parcel 9 is kind of an island up
22 pretty far and it's hard to get to Brentwood Village from there
23 and the veterans do want to mingle into the village. They do
24 want to go there so we would build steps going up the hillside
25 so there would be easy ingress and egress for veterans who want

1 to go to Starbucks or whatever, whatever they want to do to get
2 into the community.

3 **THE COURT:** So would that be going up through
4 Barrington Park?

5 **MR. MILLER:** No. It would be?

6 **MS. SPEAKER:** Yes. The steps would lead to
7 Barrington Park which also gives access to the dog park.

8 **MR. MILLER:** Okay. That's why I need some help here.

9 **THE COURT:** Yeah.

10 **MR. MILLER:** So that's number one.

11 **THE COURT:** Okay. So you would give back -- let me
12 repeat back to you.

13 You'd give back the tennis courts, all the way down
14 to what I'm going to call the security fencing.

15 What would happen to the convention --

16 **MR. MILLER:** It's actually the first three tennis
17 courts, then the parking lot below that and then the field
18 below that.

19 **THE COURT:** Okay. Keep that up.

20 **MR. MILLER:** We would keep three tennis courts for
21 the school.

22 **THE COURT:** Now just put it back up. Let's do this
23 again. I want to see this.

24 So you'd keep three tennis courts for the school and
25 you'd retain what I'm going to call that structure that acts as

1 a indoor volleyball court.

2 MS. SPEAKER: Yes, it's referred to as the Pavilion.

3 **THE COURT:** And you keep the track, you keep the
4 swimming pool. Is that correct?

5 **MR. MILLER:** Correct.

6 **THE COURT:** And you'd also keep the seven acres up
7 above which have the two baseball -- just tap it again.

8 **MR. MILLER:** It's actually 4.8 acres up above.

9 **THE COURT:** You'd keep that. But what you would be
10 giving up would be three of the tennis courts, down through
11 what I'm going to call the fencing area and also the out -- the
12 acreage that's another ballpark just outside the fence.

13 **MR. MILLER:** Yes, Your Honor, that's correct.

14 **THE COURT:** And how many acres? Four and a half
15 acres?

16 **MR. MILLER:** Between four and a half and five acres.
17 I don't know exactly. It's roughly the same size as the parcel
18 up above where the baseball field is. And it's more accessible
19 it's more accessible to building construction. It's much more
20 accessible to Brentwood Village and we'll build a staircase so
21 it's easy for the veterans to go in and out of Brentwood
22 Village.

23 **THE COURT:** What would be the accessibility of the
24 veterans to the pool and these facilities?

25 **MR. MILLER:** Okay I want to get to that.

1 **THE COURT:** Would it still be 5:30 to 7:30?

2 **MR. MILLER:** I'm going to get to that.

3 **THE COURT:** Huh?

4 **MR. MILLER:** I'm going to get to that. Let me I'm
5 just going to go down the list here.

6 Brentwood School would continue to spend -- it would
7 spend the capital necessary to maintain the facilities it uses.
8 In other words, we'll maintain them which is no small amount of
9 money.

10 We'll keep in place -- this is actually a big deal.
11 I actually went out there and talked to the veterans about this
12 and saw it.

13 **THE COURT:** Well just a moment. I'm going to hear
14 from the plaintiff in just a moment. I want to hear what this
15 offer is.

16 **MR. MILLER:** Okay. We'll keep in place all of the
17 in-kind services. Education, scholarships, recreational
18 services, camps, helping with moving in and out, newly housed
19 veterans. We'll keep in place there's very substantial
20 interaction between the school, including the students, and the
21 veterans which I'm told is good for mental health. For
22 everybody. It's good for the students to see military or ex-
23 military and it's good for the veterans. So that continues
24 which is already pretty robust.

25 The next thing which is brand new is we're willing to

1 contribute five million dollars towards a capital fund to be
2 used toward building a rec center or housing, if they want to
3 use it for housing, but our preference would be a recreation
4 center with a pool on the VA campus on this property, if they
5 want, which would be exclusively for veterans. They don't have
6 to share that with anybody. Not primarily or predominantly for
7 the benefit but exclusively for the benefit of veterans.

8 **THE COURT:** Where would that go?

9 **MR. MILLER:** My thought was it would go on the
10 softball field on that back field below the tennis courts.

11 **THE COURT:** Okay.

12 **MR. MILLER:** Okay. Moving right along here.

13 As far as this is Your Honor's question on access to
14 the facilities. We originally went to the veterans and asked
15 when they wanted access. That's how the hours were arrived at.
16 We'll give them more access. We'll give them access from 6:00
17 a.m. to 1:00 p.m. during the week. Saturdays and Sundays,
18 we'll give them access from 2:00 p.m. to 10:00 p.m. We --
19 obviously we use the football stadium and the track for events
20 but we'll give them full access when they're not being used for
21 just specific events.

22 And we'll adjust the shuttle so that they can go
23 there during those hours.

24 We'll rename the facilities as permitted by law to
25 recognize veterans. If they want to call -- you know, if they

1 want to call this part of the campus the memorial -- Veteran's
2 Memorial facility like a memorial coliseum or something, we'll
3 do that.

4 And what we want in return is we want no more
5 litigation, we want certainty. We'd like to have an agreement
6 in place that we can continue to use these facilities for the
7 students and for the school for 50 years.

8 **(Laughter heard in the background)**

9 **THE COURT:** Now hold on, hold on. No, no, I'm
10 listening to this. Please.

11 **MR. MILLER:** We want certainty. We've laid out a
12 tremendous amount of money. We're proposing to lay out a lot
13 more and we want to know that we're not going to be back in
14 litigation, we're not going to be fighting about this or in
15 dispute about this. We want to be in harmony with the
16 Veteran's Administration.

17 **THE COURT:** Well the 22 acres then you're giving up
18 four acres and retaining 18 acres. That's what I'm hearing.
19 Is that correct?

20 **MR. MILLER:** Four and a half, five acres.

21 **THE COURT:** Okay let's say five. Let's be generous
22 and say five.

23 **MR. MILLER:** Yeah.

24 **THE COURT:** You're retaining 17 acres.

25 **MR. MILLER:** And we're giving expanded access to the

1 balance.

2 **THE COURT:** Anything else? And I'm not saying that
3 that's di minimis but anything else?

4 **MR. MILLER:** No.

5 **THE COURT:** Okay. Now, were you part of this
6 discussion?

7 **MR. SILBERFELD:** I was.

8 **THE COURT:** Have you consulted with your clients?

9 **MR. SILBERFELD:** No.

10 **THE COURT:** Well go consult with them. In other
11 words, I'm not saying yes, I'm not saying no, I'm not saying if
12 this is a good idea or bad. Let's see what their reaction is
13 right now. They really control this litigation in a sense.

14 And Skip, the problem is we started with 22 acres
15 that I don't think appropriately belongs to the school and now
16 I want to hear from the plaintiffs. Okay?

17 **MR. MILLER:** It definitely does not belong to the
18 school --

19 **THE COURT:** I don't want to take a position right
20 now.

21 **MR. MILLER:** -- it belongs to the VA.

22 **THE COURT:** Well the VA, I'm sorry. I said the
23 school and I apologize.

24 So I don't want to say it's a good idea or a bad
25 idea. Let me hear from the plaintiffs right now.

1 But what I'm hearing is, I initially said that these
2 22 acres should be transferred back to the VA and then the
3 negotiations should start from that point and hopefully the
4 veterans would be generous and would accommodate the school
5 children out there at reasonable hours. What I'm hearing now
6 is a switch in terms of property so let them talk for a moment.

7 **MR. MILLER:** Okay. Well all we're talking about is
8 use. It's not our property. We were a tenant, Your Honor
9 voided the lease, that's it. It's never been our property. We
10 can't transfer --

11 **THE COURT:** Let's see what they have to say.

12 **(Pause)**

13 **THE COURT:** So Roman, what are your thoughts? In
14 other words, there's no reason to go back to the board, you
15 know, and give a proposal if you're not in favor of it. And
16 I'm not pushing one way or the other. I've got my own thoughts
17 about this but I'll remain silent and listen to each of you.

18 **MR. SILBERFELD:** We are not in favor of it. We would
19 not recommend this. It does not solve the fundamental problem
20 of the illegality of the lease.

21 **THE COURT:** Okay. Could I toss out to each of you a
22 suggestion, and that is that this property and the 22 acres has
23 to come back in theory to the veterans. But I can almost
24 guarantee that you veterans would then hopefully be reasonable
25 so we don't have to destroy this property in any way, shape or

1 form that we're not in a position of cordoning off property in
2 some way and losing a swimming pool, et cetera, but hopefully
3 you'll be kinder in your conversation about the hours of usage,
4 for instance.

5 And it's already being offered, you know, to split
6 the day or get some compatible hours so that the veterans,
7 let's say, have it from 5:30 in the morning or 6:00 to maybe
8 noon or whatever and that the school children would have it in
9 the afternoon.

10 And if they're willing to keep up the swimming pool,
11 et cetera, then that should be credited against them. In fact,
12 maybe even a discount in terms of some of the other payments
13 being made.

14 The benefit might be if this was with the veterans
15 and under your control as more veterans come in in the future,
16 these could be the very facilities that might be helpful for
17 our veterans as we increase the population with an already
18 existing weight room. Brentwood has volunteered a lot of their
19 efforts in terms of weightlifting to some of these veterans. A
20 few veterans used the swimming pool but very few but we can
21 expect that to increase.

22 But it would seem to me that either by this court
23 order with the 22 acres being returned to the veterans or by
24 Brentwood volunteering, then I think we could enter into some
25 kind of really good-faith negotiation.

1 But Skip, I think the bottom line is going to be that
2 the property probably isn't going to be traded out for five
3 acres or 17 acres. That it has to come back. And if you're
4 going to make that kind of offer, you've got to go back to the
5 board and gain their approval. That, I'll work with you in
6 terms of time.

7 But I think it's going to end up being a take-it or
8 leave-it, quite frankly, because I don't think there's going to
9 be a trade out of five acres for 17 acres. That's the bad
10 news.

11 The good news is I think everybody wants to work with
12 you.

13 **MR. MILLER:** I should probably apologize to
14 everybody. It's not our land. Okay? All we want to do is use
15 it. It's their land, it's the veterans land. And if I gave
16 everybody the wrong impression, I'm sorry.

17 **THE COURT:** Okay, no apology --

18 **MR. MILLER:** It's a question of usage. It's critical
19 to the school to be able to use the property during reasonable
20 hours under reasonable circumstances and we're willing to pay
21 for maintenance of what we use.

22 **THE COURT:** But let's not divide out the five acres
23 from the 22 acres because it sounds like it's a land tradeoff
24 when you didn't intend that.

25 **MR. MILLER:** I understand.

1 **THE COURT:** Number two --

2 **MR. MILLER:** And if I confused the issue I'm -- you
3 know, I didn't mean to.

4 **THE COURT:** Let's treat the 22 acres on an as-need
5 basis because it doesn't make sense that the Court would just
6 cordon off a particular area.

7 **MR. MILLER:** Fair enough.

8 **THE COURT:** Like a swimming pool or a track when
9 there can be dual usage for a period of time. That's
10 ridiculous.

11 Number three, we've got extraordinary valuable
12 facilities for both the children there and extraordinary
13 valuable facilities for the veterans. So it just seems to me
14 that we're all saying the same thing except there's not going
15 to be any transfers of property for five acres, whatever, and
16 then I think what you're doing is you're working out a lease
17 time. And I'm going to suggest this.

18 Originally you're on a 10-year lease, Skip, till
19 2026, okay? I'm not going to let that be renewed, by the way.
20 The suggestion's been made on a one-year basis but then you
21 don't have the confidence on a one-year basis. That's
22 something that you and Roman can negotiate with the veterans
23 and give you some kind of sense of three years or whatever but
24 if we ever need the land, I can't be -- I can't have the VA
25 pushing on me and telling me that we don't have land on one

1 hand -- which they are -- or putting up obstacles or
2 roadblocks -- which they have in the past, frankly, or having
3 some surprise like this Barrington Park, which I'd love to get
4 my hands on. So if we need it in the future that's got to be
5 available for the veterans.

6 But I don't think the Court would ever take the
7 position of just shutting you down arbitrarily and saying you
8 can't use a soccer field or you can't use -- we're not using it
9 at the present time but we've got to have -- Skip, we've got to
10 have that ability to get our hands on it and that's not a 10-
11 year lease.

12 So between the two of you the negotiations might take
13 this form. Is it a one-year lease? Is it a two-year lease?
14 Is it a three-year lease? What's the contribution?

15 Some of you veterans come on up here for a moment
16 with Roman. Come on up here.

17 **MR. MILLER:** Maybe it's not a lease, maybe it's a
18 usage.

19 **THE COURT:** Exactly. I mean it seems to me that
20 we're so close on this but the one thing is it can't be a
21 tradeoff. That 22 acres has to be back to the VA, principally
22 used for the veterans, and then what that principal usage means
23 is how do we get those hours out there, how do we keep those
24 facilities, how do we have them in the future?

25 And what I'm not willing to give up, so you know, is

1 I'm not willing to give up even one acre of that golf course to
2 you because I'm going to create and you're going to create an
3 attraction for these veterans to come in here and part of that
4 attractions might be the use of a swimming pool in reasonable
5 hours, a weight room to help them rehabilitate, a track that
6 they can occasionally walk on. And if that's paid for by the
7 school then maybe even it's less money involved. But let's not
8 destroy it if we don't have to.

9 But if I pushed, that way it belongs to the veterans.
10 And if I have to start bulldozing it I will bulldoze it and
11 I'll start with the fence and I'll work north. Now that's not
12 a threat, that's a promise. I don't think we have to do that.
13 So why can't we then work together.

14 And Skip didn't mean five acres trading out for 18.
15 That's just not going to fly. That's 22 acres but what we're
16 really talking about is the length of that lease. And I've got
17 to have the guarantee that when we need it, it's a reasonable
18 period of time so if we ever in the future really had to kick,
19 you know, Brentwood School out of an additional three tennis
20 courts, we could really sit down and talk about that.

21 But I can't take the VA's position with all these
22 problems occurring from, you know, methane, et cetera, and have
23 anything other than the most amount of land available to me to
24 choose from. And that may include the use LA Baseball Stadium.
25 So the more I hear that we have a problem with temporary

1 housing or supportive housing, or this acreage or that acreage,
2 Skip, that's why you're in the position of kind of these -- I
3 need that land available.

4 **MR. MILLER:** The only reason I --

5 **THE COURT:** Now that doesn't give you confidence
6 because you say you can invest. I say you can for this reason.
7 You've already built the facility. In other words, you're not
8 making an additional investment, Skip. You're not going out
9 there with five or 10 more million dollars. You already have
10 that facility in place. And what they ought to be able to do
11 is negotiate with you over a reasonable period of time but they
12 have to have the ability to get that land back if the VA pushes
13 back and says, you know, we don't have temporary housing
14 because the more they do that
15 -- or long-term supportive housing, then I've got to go
16 someplace and that's UCLA and Brentwood. So we're saying the
17 same thing.

18 **MR. MILLER:** I understand and we're flexible.

19 **THE COURT:** Yeah.

20 **MR. MILLER:** We're flexible. We're willing to sit
21 down, we want to do it.

22 **THE COURT:** Okay. Now go out back and talk about
23 that, Roman. Go back and talk, along with the veterans. Just
24 a suggestion but is there a reasonable period of time that you
25 veterans came come up with so we have access to that property,

1 we have increased hours, you work together and we don't have to
2 destroy a facility or even start to destroy a facility if it's
3 valuable to both entities.

4 Mr. Kuhn, respectfully, you get involved in that
5 conversation, okay? Along with Mr. Braverman.

6 And John, hold on.

7 **(Pause)**

8 So counsel, what we reversed is we want to work out a
9 plan where the school has access to this. Now this is
10 controlled by the veterans, okay?

11 **(Pause)**

12 And Mr. Soboroff and Mr. Johnson, Mr. Soboroff, if
13 you two want to jump in, be my guest.

14 **MR. SPEAKER:** Here or there?

15 **THE COURT:** Yeah, go back and talk to 'em.

16 **MR. SPEAKER:** I'd rather be there.

17 **MR. SPEAKER:** You'd rather be here.

18 **(Pause)**

19 **THE COURT:** Counsel, when you're discussing this, the
20 Court has to be able to build on parcels if we need them and
21 that's why whether it's a one-year lease or a two-year lease,
22 whatever, it's not a 10-year lease and it's not for 50 years
23 so ...

24 **(Pause)**

25 One more thing. When you're discussing this remember

1 I'm not buying into the fact that this is going to cost you a
2 lot. You've already put the money into the infrastructure.
3 This is upkeep money so don't come back to the Court and say,
4 gee, we have to do all these things and have to contribute.
5 You may have to but we'll negotiate that some if we get past
6 the first hurdle and that is, when the Court needs that
7 property or the veterans do, in case I don't have enough
8 property out there or run into methane, we get that property in
9 a reasonable period of time. But a reasonable period of time
10 may not be for the next two years unless Mr. Soboroff can build
11 out long-term supportive housing there in the next two years
12 so ...

13 **(Pause)**

14 Mr. Soberoff, Mr. Hueston is coming out to talk to
15 you (inaudible).

16 **(Pause)**

17 And by the way, the five million divided over 50
18 years is about chump change of what? Fifty thousand a year?
19 Yeah. That'll never be acceptable, okay?

20 **(Pause)**

21 Okay. Mr. Soboroff, John? In terms of the Wadsworth
22 Chapel, you have a fundraiser on October 15th.

23 **MS. BERRY:** 13th.

24 **THE COURT:** 13th.

25 **MS. BERRY:** Sunday, the 13th.

1 **THE COURT:** John, how much are the -- or Steve, how
2 much are the tickets?

3 **MS. BERRY:** Great.

4 **THE COURT:** No, no, not for me. How much are the
5 tickets? How much?

6 **MR. PECK:** This -- it's not that kind of a
7 fundraiser. It is at Christine Berry's house. We're inviting
8 a bunch of people who can potentially donate money to complete
9 the chapel.

10 **THE COURT:** How much do you have to donate if you
11 show up? What's the expectation? As a public servant I'd like
12 to know this.

13 **MR. PECK:** They're -- it's free to walk in the door.
14 We hope that when you leave you'll leave a significant check.

15 **THE COURT:** Oh I will but I don't know what
16 "significant" is as a public servant. Thousand?

17 **MS. BERRY:** That would be fine, Judge.

18 **THE COURT:** You're sure?

19 **MS. BERRY:** Well I said a million.

20 **THE COURT:** Now if both sides give -- if both sides
21 give me consent to be there, I'd like to be there.

22 **MR. PECK:** Wonderful.

23 **MS. BERRY:** We would love for you to come.

24 **THE COURT:** I'd like to make a contribution but I
25 want you to get permission from both sides. I'm a public

1 servant, quite frankly, so I'm not wealthy but I'd like to make
2 a contribution, I'd like to support this but I want both sides
3 agreeing that I can be there without a conflict. Fair enough?

4 **MR. PECK:** And a significant way you can contribute
5 is to let everyone know how critical it is for us to complete
6 the chapel.

7 **THE COURT:** Now give me the talk of the Jonathan Club
8 which is a little dangerous and I'd like you to be there.

9 **MR. PECK:** Huh? Say what?

10 **THE COURT:** Give me the talk of the Jonathan Club on
11 what date, counsel? October what? I'd like you to be there.

12 **MS. BERRY:** Okay. I would love -- we would be
13 honored to have you come. It's in honor, partially, of my
14 mother --

15 **THE COURT:** Okay. You get permission from both
16 sides --

17 **MS. BERRY:** I will.

18 **THE COURT:** -- and I'd like to be there. My wife and
19 I would like to make a contribution but we're kind of a
20 thousand-dollar person. We're not --

21 **MR. PECK:** Yes. Thank you.

22 **MS. BERRY:** Yeah. I understand.

23 **THE COURT:** Yeah.

24 **MS. BERRY:** We're honored to have you come.

25 **THE COURT:** Well, all right. Now you make sure that

1 both sides agree though, okay?

2 **(Pause)**

3 **(Court in recess at 4:45 p.m.; reconvened at 5:18 p.m.)**

4 **THE COURT:** Okay, Counsel, then we're on the record
5 and, Brad, someone indicated it was time to resume.

6 **(Indiscernible voice)**

7 **THE COURT:** Roman?

8 **(Pause)**

9 **THE COURT:** So Roman, we're back on the record.

10 **MR. SILBERFELD:** Thank you, Your Honor.

11 **THE COURT:** I'm not sure the microphone's turned on.
12 Skip?

13 **(Tapping on microphone)**

14 **THE COURT:** Yeah. And I need you to state your name
15 again for the record because we're on CourtSmart.

16 **MR. SILBERFELD:** Roman Silberfeld for the Plaintiffs,
17 Your Honor.

18 We had a discussion with Brentwood's counsel and the
19 leadership who are here. We don't have a detailed proposal to
20 present as a counter to what was presented earlier by
21 Mr. Miller. What we do have though is a tentative agreement on
22 the components of a future agreement with the Brentwood School.
23 The components need to be filled in. We need the authority of
24 our clients, some of whom are here, and we request a day, maybe
25 two at the most, to complete that process and communicate that.

1 **THE COURT:** We're going to be in continuous
2 session --

3 **MR. SILBERFELD:** Yeah.

4 **THE COURT:** -- so there's no issue.

5 **MR. SILBERFELD:** Right.

6 **THE COURT:** So --

7 **MR. SILBERFELD:** So --

8 **THE COURT:** -- why don't we hear what these
9 components are.

10 **MR. SILBERFELD:** Well, the components are these:

11 There would be a new term of lease with the exact
12 time to be determined.

13 There would be a cash payment made by Brentwood in
14 consideration of getting that additional term.

15 The rent that's paid on an annual basis would be
16 increased. I'm not sure exactly what that would be yet, but it
17 would be much closer to market rent than is currently the
18 rental rate.

19 The hours of use of the Brentwood's facilities by
20 veterans would be expanded. All other services that Brentwood
21 currently provides under the lease would continue.

22 Brentwood would continue to maintain the property.

23 And lastly, and this is the important part to the
24 Court's point earlier, we'd have a mechanism to recapture some
25 of the leased land if needed for housing on relatively short

1 notice. Days, weeks, and months rather than years.

2 So that's the idea.

3 **THE COURT:** Well, Skip's in the position that it's
4 got to go back to the Board. And there has to be some kind of
5 finality or filling in those blanks, because otherwise he's
6 going back to the Board --

7 **MR. SILBERFELD:** Right.

8 **THE COURT:** -- and it puts them in the position of
9 not being able to make a decision.

10 **MR. SILBERFELD:** That's what I wanted to throw in in
11 the next day or two at the most.

12 **THE COURT:** Okay. Well, we're ahead. So how do we
13 throw that in? In other words, if this really is going to be a
14 proposal that's acceptable to the veterans and to the Brentwood
15 School, we need to at some point reach that decision and
16 there's no better time than now, tomorrow --

17 **MR. SILBERFELD:** Yeah.

18 **THE COURT:** -- et cetera. So what do you two need?

19 **MR. MILLER:** We office in the same building --

20 **THE COURT:** I'm sorry, you need to, Skip, use that
21 mike.

22 And this is Skip Miller, by the way, because we're on
23 CourtSmart.

24 **MR. MILLER:** Roman and I office in the same building
25 in Century City. We actually park right next to one another.

1 We'll roll up our sleeves and we'll go to work on this. I
2 don't know if we're going to be able to reach an accord. I
3 really don't. Because I heard some things that concern me.
4 But we're going to do everything in our power to do it.

5 **THE COURT:** You're going to be here in court,
6 whenever you decide to recess tonight, but you'll be in court
7 tomorrow. You won't be in your offices. So...

8 **MR. MILLER:** Right.

9 **THE COURT:** I'll know very shortly if this has any,
10 you know, agreement between the two of you. And this isn't
11 final. Skip needs to take this to the Board. If you reach an
12 accommodation then you'll need to take this to the veterans.

13 **MR. MILLER:** Right.

14 **THE COURT:** But you have to get something or
15 otherwise we're...

16 So as far as I'm concerned the VA needs to be
17 included in this.

18 **MR. MILLER:** Can we meet -- since we're in the same
19 office, can we do it -- can he and I meet in my building
20 tomorrow --

21 **THE COURT:** No.

22 **MR. MILLER:** -- instead of coming to court?

23 **THE COURT:** No. No. No. (inaudible) meet here.

24 **MR. MILLER:** What time?

25 **THE COURT:** You can meet right in the back room.

1 **MR. MILLER:** What time do you want us --

2 **THE COURT:** We're in one continuous session now.
3 Don't argue with me. That's it.

4 **MR. MILLER:** I'm just asking you what time.

5 **THE COURT:** Nine o'clock.

6 **MR. MILLER:** Okay.

7 **THE COURT:** So if you want to -- and I want to thank
8 the gentleman from Brentwood School. I want to really pay you
9 a tribute. First of all, I really appreciate your courtesy. I
10 want to express that to you. And you can express that back to
11 the Board. You've come in on some very difficult times, but I
12 have to tell you, whether you reach an accommodation or not,
13 this Court really appreciates you being here.

14 **MR. SPEAKER:** Thank you.

15 **THE COURT:** Okay? And I want you to hear that.
16 So, 9:00 o'clock then tomorrow we'll get back.

17 **MR. SILBERFELD:** As to those issues, yes, right.

18 **THE COURT:** Okay.

19 **MR. SILBERFELD:** We're prepared to stay for other
20 things today --

21 **THE COURT:** No, we have a lot more to --

22 **MR. SILBERFELD:** I realize that.

23 **THE COURT:** We're just beginning the evening, Roman.

24 **MR. SILBERFELD:** Right.

25 **THE COURT:** So, yeah. Okay.

1 **MR. SILBERFELD:** But as to those issues, 9:00 o'clock
2 tomorrow.

3 **THE COURT:** Okay. So Skip, go home. Chairman of the
4 Board, thank you very much. We'll be glad to see you at 9:00
5 o'clock tomorrow.

6 **MR. MILLER:** Thank you, Your Honor.

7 **THE COURT:** We'll be here until we make decisions.
8 That way we're not talking about it, we're getting down to
9 finality.

10 You needed to place a phone call and --

11 **MR. SILBERFELD:** I do, but there's -- I do want to
12 follow up on this particular point because --

13 **THE COURT:** Oh, hold on. Mr. Miller, Roman has a
14 follow-up from the VA.

15 **MR. MILLER:** Oh, I know (inaudible) --

16 **THE COURT:** No, no, come up here.

17 **MR. SILBERFELD:** He's heard it. He's heard it in the
18 context of Bridgeland.

19 **THE COURT:** Doesn't matter.

20 **MR. SILBERFELD:** First of all, note that I believe
21 that John Kuhn was involved in some of those discussions that
22 were taking place regarding this framework. But to the extent
23 that this is ultimately in the form of a settlement agreement,
24 I will note, and as the Court is probably aware, that because
25 this matter is in litigation any settlement must be formally

1 approved by the Department of Justice and there is a process
2 for that.

3 **THE COURT:** Understood.

4 **MR. SILBERFELD:** So we will need to be brought in, an
5 agreement will have to be reached at least in principle or a
6 final agreement that I can then raise up my chain in order to
7 get the approval.

8 **THE COURT:** I understand, but we have to get through
9 the first hurdle, is it even possible to reach an agreement
10 accommodating both sides, and until we get to that point...

11 **MR. SILBERFELD:** I just wanted to make sure the Court
12 was aware because I'm not even sure of who the settlement
13 approver would be because I don't know the exact contours of
14 the agreement and so it might take just a little bit of time.

15 **THE COURT:** Okay. Now, does that get approved
16 through the Department of Justice?

17 **MR. SILBERFELD:** Yes. Because this matter is in
18 litigation, it -- the VA would be involved, very closely
19 involved in the discussions, but ultimately once an agreement
20 in principle is reached I then need to obtain approval and I'm
21 not the approving authority.

22 **THE COURT:** I understand.

23 **MR. SILBERFELD:** It's way above my pay grade. But I
24 then need to obtain the approval of the Department of Justice.
25 And if the Department of Justice approves the settlement, then

1 we can present it to the Court.

2 **THE COURT:** Well, it just ought to be that you get to
3 be the decision maker. Just kidding you. But, yeah, I
4 understand that. I understand you have to make some calls, but
5 we're not even there yet. Let's see what reality is. Let's
6 see if these two can work this out. And if not, there's no
7 reason for you to take this to the Department of Justice.

8 **MR. SILBERFELD:** Thank you, Your Honor.

9 **THE COURT:** Simple as that.

10 **MR. MILLER:** Thank you, Judge.

11 **THE COURT:** So Skip, we'll see you tomorrow at
12 9:00 o'clock. Okay? And I would bring your chairman back with
13 you. Okay? I want the decision makers in this room.

14 **MR. MILLER:** Okay.

15 **THE COURT:** Thank you very much.

16 Okay, John.

17 **MR. SANDLER:** Your Honor, Jonathan Sandler for
18 Brentwood. I just need to tell the Court I will not be here
19 tomorrow.

20 **THE COURT:** That's fine.

21 **MR. SANDLER:** I'm going to be in front of Judge Alsup
22 in Northern California.

23 **THE COURT:** Oh, well say hi to Bill. He's my close
24 friend.

25 **MR. SANDLER:** I'm not sure he's going to give me the

1 chance, but if I get the chance I'll say hello.

2 **THE COURT:** Well, try to wave your hand anyway.

3 **MR. SANDLER:** Thanks, Your Honor.

4 **THE COURT:** Okay. Thank you very much.

5 Okay, John, back to you.

6 **MR. HUESTON:** Sure. So some other items discussed
7 today, there was the parties discussed the Town Center, the
8 construction of the Town Center, and the Court's order was that
9 construction of the Town Center should begin within 18 months
10 and what I heard today, the Town Center as envisioned in the
11 2022 Master Plan will, in fact, begin construction within
12 18 months and in addition Building 306 as of January of 2025
13 will open as a community center with additional resources on
14 top of what is reflected in the 2022 Master Plan for the
15 planned Town Center.

16 **THE COURT:** I need 306 up on the board. Somebody
17 needs to put up 306, just so I see it again.

18 So John, why don't you continue.

19 **MR. HUESTON:** That's what I have on the Town Center.
20 There's debate and, you know, some dissent about what else the
21 Town Center may or may not include, but that is the Town Center
22 as conceived that will move forward within 18 months.

23 **THE COURT:** I read an interesting article yesterday
24 in one of the papers about this alleged conflict going on.
25 That's not before the Court, but it was a very interesting

1 article. A division quite possibly between the Board and the
2 developers. I don't think I want to get into that right now
3 but here's the question: The developers and the Board, who
4 eventually would break this impasse? In other words, if we
5 reach an impasse and we can't agree, you know, a Town Center,
6 and I think the headline was something about a bar, how do we
7 break that impasse? Because somebody has to eventually make a
8 decision because we've been bouncing around with this with
9 different Secretaries.

10 Good to see you. Would you just state your name
11 again? I know you.

12 **MR. SIMMS:** Brett Simms. So the Board actually makes
13 recommendations to the Secretary and --

14 **THE COURT:** I understand that.

15 **MR. SIMMS:** So the Secretary is the decision maker.
16 He is reviewing those decisions right now. But to date he has
17 declined the recommendations from the Board to move in that
18 direction, so we are following the Master Plan 2022 plan.

19 **THE COURT:** Still with the developers.

20 **MR. SIMMS:** Correct.

21 **THE COURT:** And the developer input concerning --

22 **MR. SIMMS:** Correct.

23 **THE COURT:** Okay. Mr. Soboroff had the suggestion
24 that this would be a separate Master Plan in the sense that the
25 Town Center would be segmented out because of the complexity,

1 but by the same token I don't know how much more study we need
2 because we've got the developers here with their position,
3 we've got the Board with their position, the Secretary makes
4 this decision eventually.

5 I don't know if I can be of any help or not. I mean
6 there's places I'm willing to intrude, but there's places I'm a
7 little bit leery of. And I pay respect to the Secretary in
8 that regard.

9 Will he be here, by the way? Just joking with you,
10 Counsel.

11 **MR. SIMMS:** So he did, the Secretary approved the
12 Master Plan, he signed and approved the Master Plan with the
13 current approach.

14 **THE COURT:** Now which Secretary? Because, by the
15 way, we may have a change of administration. We may not.

16 **MR. SIMMS:** Secretary McDonough.

17 **THE COURT:** And this has been floating around for a
18 long period of time. Okay.

19 **MR. SIMMS:** Most recent, Secretary McDonough approved
20 that.

21 **THE COURT:** Yeah, but he may be out of office --

22 **MR. SIMMS:** Certainly --

23 **THE COURT:** -- by the time they get done.

24 **MR. SIMMS:** -- and the Master Plan is the plan.

25 **THE COURT:** Or he may be in office. I don't know.

1 But how -- this has taken a significant period of
2 time without a decision. Or at least at the present time we're
3 following the plan, but this has gone back and forth between
4 different Secretaries for quite a period of time. With
5 different viewpoints, by the way.

6 **MR. SIMMS:** Correct. So since 2021 this has been the
7 plan. When we did the Master Plan --

8 **THE COURT:** Right.

9 **MR. SIMMS:** -- that was the decision, that is the
10 path we have been following. So from our perspective the
11 recommendations from the Board are just that, they're
12 recommendations for us to reconsider. But we have a plan,
13 that's what we're following. If we deviate and change from
14 that, the Town Center, there is no other plan so it will not be
15 started in 18 months is what we've communicated to the Monitor.
16 This is the path we've been working down for three plus years.
17 There's funding aligned to these buildings. There's a lot of
18 work that's gone into this. A change in that, which is
19 possible, it is a plan, but that isn't the direction we're
20 headed in.

21 **THE COURT:** Okay. So explain to me 305. Oh, I'm
22 sorry, 306. Once again, what would that be used as?

23 **MR. SIMMS:** I'm going to see if I can get one of my
24 West LA colleagues to explain it. It's a community center.

25 **THE COURT:** Well, I don't know what a community

1 center means because in the article that I read there was a
2 proposal that there would be a more spacious hall, for
3 instance, a hotel, and again a new bar, et cetera, which was
4 interesting. But a community center that was being proposed by
5 the Board, quite frankly, was being rejected by the Secretary.
6 That's what I understood. What is this going to look like?
7 Because Jon Sherin has the connective tissue idea and
8 accomplishing some of that through, depending upon what
9 Brentwood School does, I mean a pool, track, can be pretty nice
10 connective tissue. But the veterans seem to say through -- and
11 this is all hearsay through Bobby Shriver -- that when I looked
12 at this article, he felt overwhelmingly in this survey that --
13 and this is hearsay, by the way -- that the veterans wanted a
14 communal place in terms of a hotel or hall, and I don't know
15 how expansive that survey is. And I don't intend to override
16 the Secretary, by the way. I don't think that's the Court's
17 prerogative. But by the same token, what does this community
18 center look like? Because if it can't attract veterans we're
19 going to lose them.

20 **MR. SIMMS:** The community center, Your Honor, is
21 going to be in Building 306. That's located in the center of
22 these housing developments. The idea with the community center
23 is that it would essentially be run by peers, other veterans --

24 **THE COURT:** Okay.

25 **MR. SIMMS:** -- and we want to use that as a magnet to

1 bring people out of the buildings that they're in and engage in
2 socialization. To that end, we -- this is not simply a VA
3 project, we're working with community partners. The Veterans
4 Collective is part of this, SSTF Grantee (phonetic) is a part
5 of this, the County is a part of this as well.

6 The idea is to collaborate in a way that we can
7 provide meaningful services. So that could be events, it could
8 be events both on and off the campus. It will be recreational
9 activities. We'll have peers also going into these buildings
10 where they'll be knocking on doors and inviting them to come
11 and join other veterans in a particular event. We are working
12 also with our partners to create not just in Building 306 but
13 support around it, which may include other modules, structures
14 like that, trails even, that would have recreational
15 opportunities. It could be an art center. It could be games.
16 It could be ping pong. It could be any number of things. A
17 movie. But the idea is to create a sense of attractions that
18 people want to gather and do things.

19 And this, again, will be paired to an active in-reach
20 effort to veterans that are living in the U.S. to where we try
21 to break down that isolation. Larry Williams, I don't know
22 he's here right now, actually spoke eloquently earlier today
23 about how it is so important for those veterans to be greeted
24 by these peers because they're going to respond to them more
25 than they're going to respond to essentially a social worker or

1 a professional. We can have peers knocking on doors and our
2 veterans would be more likely, even if they're a little
3 hesitant, to open the door to a peer and come to an activity
4 and engage with their fellow veterans and not be so isolated
5 and create really this sense of community that we've been
6 talking about.

7 **THE COURT:** It mentioned, I think it was Building 41.
8 I don't know what Building 41 is. Is that four one zero? In
9 other words, it was an art deco building. It had wings off of
10 the facade. I don't know what --

11 **MR. PECK:** That's Building 13.

12 **THE COURT:** Steve, come on up for a moment.

13 **MR. SIMMS:** I think that's Building 13. So this --
14 what we're talking about --

15 **THE COURT:** Show me on the map, because I'm confused
16 about 41.

17 **MR. PECK:** This is Building 13 right here.

18 **THE COURT:** There we go. Thank you. Okay.

19 **MR. SIMMS:** So what we're talking --

20 **THE COURT:** So 13 is really 41, correct?

21 **MR. SIMMS:** And actually I think Steve can also talk
22 about some of our plans for 306, because the Veterans
23 Collective which U.S. vets is very active in is part of it.

24 **MR. PECK:** So a survey was recently done among
25 veterans. We got 400 and some responses. They asked for a

1 store, so in Building 13 there will be a store which will
2 include fresh vegetables. There will be a restaurant. The
3 grand hall, they will do Veterans Day celebrations, job fairs,
4 Veterans Day dinners --

5 **THE COURT:** So it will have a grand hall.

6 **MR. PECK:** It will have a grand hall with an --

7 **THE COURT:** Can we have the Marine Corps ball there?

8 **MR. PECK:** Oh, absolutely.

9 **THE COURT:** How many people will it hold?

10 **MR. PECK:** Oh, it will probably hold 400, 500 people.

11 We're good.

12 **THE COURT:** So one of the disagreement between the
13 two sides may be a hotel --

14 **MR. PECK:** Correct.

15 **THE COURT:** -- which I'm seeing the veterans nod
16 their head that they like, and my question would be who would
17 pay for that?

18 **MR. PECK:** And who would operate it.

19 **THE COURT:** And the second issue is this bar. I mean
20 it's kind of titillating to read a headline that says something
21 about a bar.

22 **MR. SPEAKER:** There's not going to be a bar.

23 **THE COURT:** Come on up here. Because we don't want
24 our veterans to drink, right? Now, come on.

25 **MR. SPEAKER:** So with 30 percent of our veterans --

1 **THE COURT:** No, just a moment. Come on. I don't
2 care about a bar. Have you ever been to the American Legion?

3 **MR. SPEAKER:** It's going to be the VA bar and casino.
4 It's going to be a big attraction.

5 **THE COURT:** Okay. Now have you ever been --

6 **MR. SPEAKER:** There's not going to be a bar.

7 **THE COURT:** Have you been to the American Legion?

8 **MR. SPEAKER:** Excuse me?

9 **THE COURT:** Have you ever been to an American Legion
10 bar?

11 **MR. SPEAKER:** I have been to and American Legion.
12 People are welcome to go to the American Legion Post and then
13 go off the grounds and go to a bar --

14 **THE COURT:** And have a drink --

15 **MR. SPEAKER:** -- but there's not going to be a bar on
16 our grounds.

17 **THE COURT:** -- they drink Diet Coke, right? Okay,
18 now, VFW, have you ever been to a VFW bar?

19 **MR. SPEAKER:** I have been to many VSO --

20 **THE COURT:** Okay.

21 **MR. SPEAKER:** -- bars, yes.

22 **THE COURT:** Is it the fact that we --

23 **MR. SPEAKER:** I shouldn't say many, some.

24 **THE COURT:** -- don't want alcohol served to our
25 veterans on VA time, is that the problem here? The image?

1 **MR. SPEAKER:** We don't want a bar on VA grounds --

2 **THE COURT:** I see.

3 **MR. SPEAKER:** -- because many of the veterans, we
4 don't want to put it right directly in their faces if you're in
5 recovery.

6 **THE COURT:** Understood.

7 **MR. SPEAKER:** It's not fair to them. It's not
8 therapeutic. And it's against the law.

9 **(Laughter)**

10 **THE COURT:** Well, let's not violate the law.

11 So the end result is that's the basic dispute, as I
12 understand it. If you have a business against the law in terms
13 of serving alcohol and the veterans feel like this would be a
14 communal experience, like going to a VFW or American Legion --

15 **MR. SPEAKER:** We can offer many communal experiences
16 that do not involve alcohol --

17 **THE COURT:** Okay.

18 **MR. SPEAKER:** -- or drugs.

19 **THE COURT:** And right now the VA Secretary is taking
20 the position of no hotel and no bar.

21 Now, why would the Court get involved in that
22 discussion? In other words, why would I -- I'm willing to
23 intercede in other places, but there's places I'm not willing
24 to intercede in.

25 So John, what are your thoughts?

1 **MR. HUESTON:** I agree, this --

2 **THE COURT:** In other words, there are some places I'm
3 willing to go to bat and take a chance, but some places belong
4 to you and the Secretary of the VA. And so maybe we've got all
5 of our veterans drinking at the local bar, just off campus.

6 **MR. SPEAKER:** Veterans have lease rights. They could
7 drink in their apartment. I mean no one's saying that they
8 can't pursue --

9 **THE COURT:** Hold on. Hold on. They can drink in
10 their apartment?

11 **MR. SPEAKER:** Yes. It's a legal activity. It's
12 their apartment.

13 **THE COURT:** They just can't drink at the bar.

14 **MR. SPEAKER:** Not at a bar that we're not going to
15 open, correct.

16 **THE COURT:** Okay. Okay.

17 **MR. SPEAKER:** It will not exist.

18 **THE COURT:** All right. So John, do we want to get
19 involved in this dispute?

20 **MR. HUESTON:** No, I don't think there are --

21 **THE COURT:** No.

22 **MR. HUESTON:** -- findings and bases for that.

23 **THE COURT:** Yeah. I just read that with interest. I
24 think right now I want to put that by the wayside. It's like
25 being naked and trying to tie your shoelaces. We want focus

1 right now. I need necessity. I need people coming into this
2 facility. And if I get involved in these collateral issues the
3 problem's going to become we're taking the focus off of getting
4 veterans in. And we may have enough to entice veterans, you
5 know, a track, swimming pool, recreation, weight training. I
6 don't know what Brentwood School's going to say. The next
7 thing is we may have enough accommodation to attract veterans
8 and I don't want perfect to get in the way of good.

9 I don't think that that's the Court's prerogative
10 right now. I think I would be then supplanting the Secretary's
11 decision, whoever that is, and so I don't know if any veterans,
12 if you're going have a bar or not and I don't think I'm going
13 to bat for that right now, or the hotel. So I leave that to
14 the discretion right now of the VA.

15 John, do you have any comment or should I intercede?

16 **MR. HUESTON:** No comment, Your Honor.

17 **THE COURT:** So I need not say anything further about
18 it. Okay. At the present time anyway.

19 Now, for the veterans somehow we've got to create an
20 opportunity for you folks to come in, so I don't need a comment
21 from you right now. I don't want a veterans network living in
22 a box on the street where they're enjoying each other's company
23 and camaraderieship, because somehow we have to attract them
24 in. That's why we're not willing to touch that golf course,
25 not even one acre of it. I'm hoping for a swimming pool. I'm

1 hoping for a track. Hoping for expanded hours. And that may
2 be what we have to live with. And if we want to have a drink,
3 if it's against the law, maybe we have to go off campus. Now I
4 can see the West L.A. Brentwood Association, how happy they
5 would be to receive you locally. But maybe that's what you
6 have to do.

7 But maybe we can continue to attract a, you know, a
8 decent town centership, so let's watch this and let's try to
9 work together on that. But I choose not to intercede in that
10 discussion right now. I don't think it's appropriate for the
11 Court. Okay. But it was a very interesting article.

12 All right, John.

13 **MR. HUESTON:** The next item, I spoke with the VA
14 about the stacking issue that the Court had inquired about.
15 And in terms of the HUD-VASH program and the ability to provide
16 at least 25 referrals to public housing agencies per week,
17 there were representations made that there has been very
18 significant progress and a trajectory to potentially do that.
19 I asked for the actual numbers and really the backing for that
20 and they promised to get me that by tomorrow morning so I can
21 have a more informed discussion on that.

22 With respect to appropriate street outreach staffing,
23 apparently they have about 11 folks who are not administrators
24 doing all the staff outreach efforts for the entire Cashmin
25 (phonetic) basin. And when the question was put to them, well,

1 what do you think would be adequate to in fact get the job done
2 and the answer was twice that, another 11, and no one dissented
3 from that in the room we were in. So I think they've come up
4 with a number of 11, 11 additional street outreach staff
5 members in order to have the appropriate staffing to meet the
6 Court's Order.

7 **THE COURT:** Any comments by the Plaintiffs?

8 **MR. ROSENBAUM:** My understanding --

9 **THE COURT:** Just use that mike and just identify
10 yourself because we're on CourtSmart.

11 **MR. ROSENBAUM:** Mark Rosenbaum for Plaintiffs. My
12 recollection, John, is that not all of that 11 actually do
13 street outreach and I --

14 **(Indiscernible voice)**

15 **MR. HUESTON:** Yeah, that 11 was street outreach --

16 **MR. ROSENBAUM:** Oh, okay.

17 **MR. HUESTON:** -- and there were additional who were
18 admin.

19 **THE COURT:** And you can push back, but if it's
20 adequate I don't intend to write injunctive relief on it.

21 **MR. ROSENBAUM:** And so just have Mr. Kuhn confirm, so
22 the number is -- you would want 22 actual street outreach
23 individuals, is that right?

24 **MR. HUESTON:** Right.

25 **MR. ROSENBAUM:** Who would actually do street

1 outreach.

2 **MR. SPEAKER:** I'll actually have the actual numbers
3 to you tomorrow, but it will be approximately that number.

4 **MR. HUESTON:** Okay.

5 **MR. SPEAKER:** It might be actually a little bit more
6 than that, but I'll have the number by tomorrow.

7 **MR. ROSENBAUM:** Okay. Thank you.

8 **MR. HUESTON:** And so there was the other item in the
9 Order, which was -- and we didn't discuss this expressly, but
10 if you can provide this number tomorrow, the appropriate
11 caseworker staffing as well.

12 **MR. SPEAKER:** Right. And right now it's at 18.91,
13 but I'll have the numbers for the full, the change from last
14 fiscal year to this fiscal year, and the exact number of
15 staffing as well.

16 **MR. HUESTON:** Okay, great.

17 **THE COURT:** Okay.

18 **MR. HUESTON:** Your Honor, the only other item --
19 well, there were two other items. My understanding is that
20 UCLA, it's prior to the Chancellor showing up, but the attorney
21 for UCLA is prepared to share at least some sort of offer and
22 Bridgeland Oil as well has represented that they have an offer
23 that has increased from what they represented this morning.

24 **THE COURT:** Do you know what that offer is?

25 **MR. HUESTON:** From UCLA, I --

1 **THE COURT:** No, no. No, not from the Chancellor --

2 **MR. HUESTON:** From Bridgeland?

3 **THE COURT:** -- from Bridgeland.

4 **MR. HUESTON:** I do have notes.

5 **THE COURT:** Okay, because I want complete
6 transparency here. In other words, we are negotiating in
7 public, so...

8 **MR. GUADIANA:** I'm happy to address the Court.

9 **THE COURT:** Actually, if he could address the delta,
10 it will be a little --

11 **MR. GUADIANA:** It will probably make a little bit
12 more sense.

13 **MR. HUESTON:** -- it will save a little time, yeah.

14 **THE COURT:** Okay.

15 **MR. GUADIANA:** So Your Honor, in addition to the
16 terms that I explained this morning, which --

17 **THE COURT:** Maybe a little closer, and just state
18 your name again for the record.

19 **MR. GUADIANA:** Your Honor, Ernest Guardiana on behalf
20 of Bridgeland Resources for the record.

21 In addition to the terms that I noted this morning,
22 which include the quitclaim of the approximately acre and a
23 half replacement drill site, would be a designating on the
24 property of another site of similar size in exchange for having
25 rights to this replacement drill site. The increase of the

1 royalty, which I know is not the 51 percent of gross proceeds
2 that Your Honor had requested, but that would stay up to
3 3-1/2 percent above sixty-five dollars, 4-1/2 percent over a
4 hundred dollars, and 5-1/2 percent over a hundred and thirty.

5 But to address your comments earlier regarding that
6 you don't want this slant drilled well to stay on the campus
7 and increase the economics of the field so that the field can't
8 shut down, what my client is willing to do address those
9 specific concerns is (1) agree not to drill any more wells, any
10 more slant drilled wells. So there would be no more wells
11 under that -- under what was previously the revocable license.
12 The only well would be the Sawtelle 2 plant.

13 Additionally, whenever the BLM production ceases and
14 is plugged, even if Sawtelle 2 is continuing to produce great,
15 we will plug Sawtelle 2 at that time as well. So once --

16 **THE COURT:** Just hold on. Repeat that to me. And I
17 apologize.

18 **MR. GUADIANA:** Sure. So as I understand what your
19 concern was this morning, when the BLM, when the oilwell that
20 is produced under the BLM leases is no longer economic, we're
21 still going to be drilling, we're still going to have the
22 Sawtelle 2 well producing great or maybe other additional
23 wells --

24 **THE COURT:** Right.

25 **MR. GUADIANA:** -- producing great. And we're going

1 to be utilizing this drill site, even though we don't have the
2 rights to do so under our BLM lease anymore, and that's what I
3 understood your main concern to be. So what we've done to
4 address that is to say (1) we won't drill any more wells, so
5 Sawtelle 2 will be the only well that would be drilled; and
6 when we plug the BLM lease wells we would also plug Sawtelle 2.
7 So once the BLM lease is dried up and we wouldn't have rights
8 to the campus under the BLM lease, we will plug Sawtelle 2 at
9 that time as well.

10 **THE COURT:** I think I'd (inaudible) that but I'm not
11 certain so just remain with me for a moment --

12 **MR. GUADIANA:** Of course.

13 **THE COURT:** -- let me get some comments from the
14 Plaintiff.

15 Have you ever heard of this proposal?

16 **MR. ROSENBAUM:** I just heard it for the first time
17 just now.

18 **THE COURT:** Okay. Well, take you time. What do you
19 think?

20 I'm going to express some concerns so you're not
21 caught by surprise. I've always felt that the 3-1/2 percent
22 that you're offering, and I don't have my notes in front of me,
23 going to 4-1/2 percent or 5-1/2 percent, with no disrespect to
24 you, was a minimum offer. And the reason for that is you have
25 to get above eighty dollars a barrel to kick it up to the

1 whatever percentage and you have to get over a hundred dollars
2 a barrel to get to the 5-1/2 percent. I don't know how I feel
3 comfortable finding that that's a substantial benefit because
4 it seems so di minimis, quite frankly, and historically, if you
5 average it out, maybe seventy-five dollars a barrel or eighty
6 dollars a barrel.

7 And I'm having trouble with this generation of
8 veterans, who's very different from my generation because they
9 had to deal with extraordinary toxic conditions, and I'm having
10 trouble with burn pits, quite frankly, and the results for this
11 generation that isn't the Vietnam generation, and so
12 philosophically I'm having trouble saying to you that I'm
13 comfortable having oil on this property when I can't see any
14 substantial benefit.

15 Now from your perspective, you've got other wells and
16 you have other wells in other locations. So you're company is
17 not going broke. I know you've got three or four other
18 locations in the area, so we're not going to break your
19 company. I just have a real concern with veterans in relation
20 to your oil, quite frankly, with these kinds of -- and frankly,
21 I look at the piece of property, and I really respect you, but
22 I recognize that this piece of property is almost worthless to
23 me and here's why. Unless I can find something that may be
24 traded out to even consider that would be contiguous to another
25 piece of property so Mr. Soboroff isn't running around with an

1 acre and a half year -- and acre and a half well which is
2 uneconomical, I've got a potentially polluted piece of property
3 now, that acre and a half that you showed me, and probably the
4 last piece of property we looked at, because I don't know what
5 the EIR (phonetic) would show. It's so near the oil that I've
6 got oil fumes coming up, and so that's my hesitancy.

7 **MR. GUADIANA:** Your Honor, we do not propose --

8 **THE COURT:** Can I have 51 percent?

9 **MR. GUADIANA:** As I said --

10 **THE COURT:** Can I have 51 percent?

11 **MR. GUADIANA:** -- no one is getting 51 percent of
12 profits from this well.

13 **THE COURT:** Well, but just a moment.

14 **MR. GUADIANA:** Yes.

15 **THE COURT:** Let's negotiate now.

16 **MR. GUADIANA:** Of gross proceeds --

17 **THE COURT:** Let's negotiate now.

18 **MR. GUADIANA:** Okay.

19 **THE COURT:** If you lose Sawtelle you've lost
20 42 percent of your profit.

21 **MR. GUADIANA:** Yes.

22 **THE COURT:** Now you've got 48 percent left, right, on
23 a pool of oil that's drying up.

24 **MR. GUADIANA:** Fifty-eight percent, yes.

25 **THE COURT:** Yeah, it might be when you're my lifetime

1 plus.

2 **MR. GUADIANA:** Yes. Yes.

3 **THE COURT:** You're not in a good position. Can I
4 have 51 percent? Because you see you'll still make 49 percent.
5 And, yeah, we might find that it's for the benefit of the
6 veterans, but not 3-1/2 percent.

7 **MR. GUADIANA:** So hold on, Your Honor. What --

8 **THE COURT:** Okay.

9 **MR. GUADIANA:** -- what our royalty did was increase
10 it over all of the wells, not just the Sawtelle 2 well, so it's
11 really more of an increase of a 5 percent royalty anytime that
12 Bridgeland is making any profits. Mr. Kolcarney (phonetic)
13 early during the trial testified that Bridgeland does not make
14 profits when oil falls below \$65. What we're realistically
15 doing is changing this from 2-1/2 percent to 5 percent.

16 **THE COURT:** Then negotiate with me.

17 **MR. GUADIANA:** Okay.

18 **THE COURT:** If I capped your well, what position are
19 you in?

20 **MR. GUADIANA:** Yeah.

21 **THE COURT:** And let me see you take that to the
22 Circuit and have the VA defend you up in the Circuit on an oil
23 well.

24 **MR. GUADIANA:** Your Honor, I've explained if you do,
25 you know, order injunctive --

1 **THE COURT:** Can I get 51 percent?

2 **MR. GUADIANA:** Hold on. So one of the things that we
3 have to talk about is the difference between gross and net.

4 **THE COURT:** Yeah.

5 **MR. GUADIANA:** No one -- if my client was required to
6 give 51 percent of the gross proceeds from that well, the well
7 would be uneconomic at any price of oil.

8 **THE COURT:** Just a moment. Is the VA in favor of
9 this oil well on your -- on the property? Is this where we're
10 going to place our veterans? I mean just if so, just state
11 you're happy with the oil well and our veterans being near
12 this.

13 **MR. ROSENBAUM:** As I think we indicated during trial,
14 this is one of several land use agreements that the current VA
15 officials have inherited and have tried to figure out how best
16 to use that land.

17 **THE COURT:** Well, you've inherited the 1956 agreement
18 and those ten wells. We're not discussing that. What we're
19 discussing is what we do have jurisdiction over and that's the
20 2000 -- I'm sorry, is it 17 or 19?

21 **MR. GUADIANA:** 2016 revocable lease.

22 **THE COURT:** 2016, because it's negotiable --

23 **MR. GUADIANA:** Which is --

24 **THE COURT:** Ten years, right? And what I worry about
25 and am constantly worried about is that if I were to allow you

1 to reinvigorate this for ten years, that means that in a sense
2 they can slant drill all day long till they sink a new well. I
3 have no jurisdiction to stop that.

4 **MR. GUADIANA:** We are agreeing not to --

5 **THE COURT:** Hold on. Hold on. That's the first time
6 I'm hearing that now. I've never heard that before.

7 **MR. GUADIANA:** Agreed.

8 **THE COURT:** Am I hearing 51 percent? I haven't heard
9 that yet, have I?

10 **MR. GUADIANA:** Not on the gross, no.

11 **THE COURT:** No, I think you might want to make
12 49 percent rather than nothing.

13 **MR. GUADIANA:** Your Honor, if it is on gross
14 production --

15 **THE COURT:** I think you might want to make 49 percent
16 rather than nothing.

17 **MR. GUADIANA:** We would prefer to plug the well than
18 have --

19 **THE COURT:** Okay.

20 **MR. GUADIANA:** -- 49 percent of the gross proceeds
21 because it would not be economical.

22 **THE COURT:** You'll have that opportunity. We're
23 going to plug it. Simple as that. Because this would be
24 substantially for the benefit and anything less than 50 percent
25 is not for the benefit, it's as simple as that.

1 **MR. GUADIANA:** So hold on, Your Honor. The whole
2 fact about us quitclaiming land -- and I advise -- I ask you to
3 ask Mr. Soboroff what his thought is on accumulating additional
4 land on the VA campus. That is a significant benefit to
5 veterans. That is something that they would not obtain other
6 than through this agreement.

7 **THE COURT:** I get the tradeoff though in terms of the
8 65,000 to 120,000, which bounces around. That's not worth the
9 health of the veterans. I'd rather have some guarantee out
10 there we're not putting veterans in a situation where their
11 health decreases. I'm not going to do it. Simple as that.

12 And tonight, Counsel, so you know on both sides, I'm
13 going to allow an injunctive relief. I think we're going to be
14 capping this well. Okay? So I want to thank you. That is it.

15 **(To the Clerk):** You can start writing that up. That
16 will go out tonight.

17 Okay, now what are we going to do next, John?
18 I think I've got a parking lot out there.

19 **MR. HUESTON:** Right. We have the parking lot to
20 address and we could hear the proposal from UCLA prior to the
21 Chancellor arriving, which might allow some thinking and
22 consideration by Plaintiffs as well on that. I'm not sure
23 they've seen it.

24 **THE COURT:** On the parking lot?

25 **MR. HUESTON:** From UCLA.

1 **THE COURT:** Oh.

2 **MR. HUESTON:** We have two items yet.

3 **THE COURT:** Hold on, I've got multiple...

4 **MR. HUESTON:** But the parking lot is certainly ripe
5 to address and then we could move to UCLA.

6 **THE COURT:** Just a moment.

7 **(Pause)**

8 All right, Counsel, this will be the Order of the
9 Court. I think I've anticipated much of your argument, but it
10 will read as follows:

11 Bridgeland operates a drill site on three acres of
12 the West LA VA Grounds. In 2017 the VA originally entered into
13 a revocable license with Bridgeland's predecessor in interest
14 that gave them the right to slant drill oil wells that pass
15 through the subsurface of the West LA VA campus to extract
16 non-federal oil from the privately owned land neighboring the
17 West LA VA Grounds. Bridgeland slant drills these private
18 wells from a well called Sawtelle 2 located on the West LA VA
19 drill site. In exchange for the right to operate Sawtelle 2
20 Bridgeland under the 2017 agreement with the VA donates
21 2.5 percent royalty to the veterans charity.

22 In the Court's Post-Trial Order it found that the
23 2017 agreement between Bridgeland and the VA violated the VA's
24 fiduciary duty to veterans and the 2016 West Los Angeles
25 Leasing Act because the agreement did not principally benefit

1 veterans and their families. Accordingly, the Court held that
2 the agreement authorizing Bridgeland to operate Sawtelle 2 is
3 void. Bridgeland has represented that since the Court's Order
4 it has ceased extracting oil using the Sawtelle 2 well.

5 Bridgeland is hereby ordered to cap using procedures
6 consistent with California law Sawtelle 2 so that Bridgeland
7 may no longer drill -- may no longer slant drill private well
8 leases from the West LA VA campus. The Court sets a status
9 conference for Wednesday, October 2nd, 2024, when Bridgeland is
10 ordered to inform the Court of its progress on capping
11 Sawtelle 2.

12 **(To the Clerk):** You can docket that Order. That's
13 the Final Order of the Court, so docket it. All right.

14 **(Voice heard in background)**

15 (Indiscer.) I can't hear you.

16 **MR. SPEAKER:** Capping the well, we're (inaudible) the
17 soil, the ground water, so people don't get --

18 **THE COURT:** I can't hear you. I've got CourtSmart
19 and I don't have a good recording of you.

20 **MR. SPEAKER:** Capping the well is one thing.
21 Remediation of the land is another thing.

22 **THE COURT:** Well, just a moment. I understand that.

23 **MR. SPEAKER:** Remediating wasn't in the Order, was
24 it?

25 **THE COURT:** No. But the problem with that is that

1 they still have a valid case in 1956 and Sawtelle 2 is the
2 fourth well in, so I don't know how I could order remediation
3 of the land at the present time when they have a valid lease in
4 1956 the BLM has granted them.

5 **MR. SPEAKER:** Until it expires, sir.

6 **THE COURT:** So I would love to have a fund for
7 remediation purposes in the future in case they walk away, but
8 I'm going to have to get some guidance from the Plaintiffs of
9 how the Court would make that order because I think that you
10 have a valid lease concerning your -- if BLM chooses to
11 continue that, that's on BLM. Or if you decide to try to go
12 around me and negotiate with BLM, I'll (inaudible) in this
13 court and explain why they would let you continue on with slant
14 drilling.

15 **MR. SPEAKER:** How do we get the land back?

16 **THE COURT:** Well, right now we're not getting that
17 acre and a half back.

18 **MR. SPEAKER:** Right.

19 **THE COURT:** Period. Because they have a valid lease.
20 But I can stop the slant drilling.

21 **MR. SPEAKER:** Okay.

22 **THE COURT:** And we've had this discussion. Thank you
23 very much. Have a seat.

24 **MR. SPEAKER:** Okay.

25 **THE COURT:** And that's as far as I think that the

1 Court can go within the bounds but I do control the slant
2 drilling and I'm not willing to see this continue on. And I
3 never heard 51 percent so this is not substantially for the
4 benefit of the veterans.

5 That's the Final Order of the Court. I want this
6 documented now.

7 All right, parking lot, John.

8 **MR. HUESTON:** Your Honor, we have conferred and I
9 think the Court is prepared to make a recommendation. Do you
10 want me to frame it out?

11 **THE COURT:** Why don't you give them the idea that we
12 came up with, that we're discussing, and then I want you to
13 push back about this parking lot. Because, quite frankly, I'm
14 prepared to take the parking lot. My Special Master is
15 proposing something else and I'm not sure that I agree with
16 this right now.

17 **MR. HUESTON:** All right. So after hearing from
18 several parties, the proposal was to request an accounting
19 because there were representations by the VA today that the
20 existing parking lot operator may have been generating 60 to
21 70,000 dollars of revenue per month that was going to the VA
22 while taking only \$2500 a month in management fees. I think
23 it's important we see documentation of that and I think that
24 it's also important to open up competition potentially for
25 whether that lot could be more profitably run for the VA and

1 possibly with a lesser management fee.

2 It does seem to make sense to allow the parking lot
3 to continue until such time as the land might or might not be
4 used for housing.

5 **THE COURT:** Explain the auction idea to them and the
6 accounting.

7 **MR. HUESTON:** Right. So I think the idea for
8 consideration is to require an accounting. My understanding is
9 that the parking lot operators were supposed to do an annual
10 accounting but only have done so once in the last several
11 years. So we --

12 **THE COURT:** And 2021 was the last accounting, John.
13 There's been one --

14 **MR. HUESTON:** Right.

15 **THE COURT:** -- in this period of time.

16 **MR. HUESTON:** Right. And so within 30 days we would
17 ask for a new accounting so that we can look at exactly where
18 the money's going. And then subsequent to that have the
19 existing operator, if they're interested, and then others who
20 have interest put in bids to run and manage the parking lot.
21 And the winner of the bid would be the one returning the most
22 to the veterans.

23 **THE COURT:** And what that does is your position is
24 you really don't want to run a parking lot from the VA's
25 perspective, so we're trying to respect that in some way. But

1 if it's making 60 or 70,000 dollars a month and the
2 representation is the owner's only pocketing 2500, I don't
3 believe that. Just flat out, I don't believe that.

4 And since we haven't had an accounting since 2021,
5 we're trying to avoid running that parking lot, setting up a
6 separate structure, but I need a separate accounting. What I
7 need to know is what data is from the parking lot or other --
8 whatever other entity used to exist, separate it out. Because
9 in the past, long before the representation, the VA got in a
10 lot of trouble with money that couldn't be traced. About
11 \$40 million if you go back. And nobody could find it. So if
12 we separate that out, then I want to work with you on that. So
13 forget the past. That 40 million's gone. But this has to be
14 an accounting where we know what's coming in.

15 So also I like the idea of an auction. John's talked
16 me into this, by the way. I was initially against it, but he's
17 very persuasive. Okay? And that would avoid you running it,
18 me running it, and I don't believe that that owner's getting
19 \$2500 in administrative fees.

20 Now in the meantime though, we don't need that
21 parking lot right away, so I want to retain the veterans who
22 are employed. I want to make money on that while we can. So
23 what are your thoughts?

24 **MR. SPEAKER:** One moment, Your Honor.

25 **THE COURT:** Yeah. Take your time with this.

1 **(Pause)**

2 And Mr. Soboroff, I understand your concerns. I
3 didn't mean to cut you off. But here's the problem. I
4 understand that they could walk away. So if this well doesn't
5 become, the ten wells aren't profitable, what happens if they
6 walk away? What happens to a remediation fund, right? But
7 didn't we hear that they're still operating other wells in the
8 area? I can see that lawsuit coming very quickly in terms of
9 remediation from the VA because they don't want to clean up
10 this meth. So in other words, we have remedies.

11 In a perfect world, I would cause Bridgeland to set
12 aside a sum now for remediation purposes. But under the lease,
13 they've got a valid lease in 1956 that the BLM issued
14 apparently during the wildcat days. So what do I have control
15 over? I've got control over the slant drilling and I'm going
16 to end that. And I didn't hear 50 percent. Did you? No. No.
17 So if they choose not to make 49 percent, that's it. That's
18 the Final Order of the Court.

19 **MR. ROSENBERG:** I'd like to bring Dr. Braverman up
20 with me --

21 **THE COURT:** Sure.

22 **MR. ROSENBERG:** -- to correct me in case I misstate
23 anything.

24 **THE COURT:** Brad, you've never misstated, so --

25 **MR. ROSENBERG:** Appreciate that.

1 **THE COURT:** -- (inaudible) thinks you're impeccable
2 for the record.

3 So Dr. Braverman.

4 **MR. ROSENBERG:** Well, there's a first time for
5 everything, so let me see if I can -- let me see if I can
6 summarize first.

7 On the issue of accounting, we agree that that's --
8 with that proposal.

9 **THE COURT:** Okay.

10 **MR. ROSENBERG:** So that can move forward and I think
11 we can do that within 30 days. Yes. So that should work.

12 **(To Dr. Braverman):** Do you want to address the --

13 **THE COURT:** Dr. Braverman, can you set out a separate
14 account so we don't have this comingling problem?

15 **(No audible response)**

16 Good, I love the enthusiasm. I love the yes.

17 **DR. BRAVERMAN:** I'm sure we can figure that out.

18 **THE COURT:** Absolutely.

19 **DR. BRAVERMAN:** That's the only -- I'm not sure it's
20 comingled, it's just that --

21 **THE COURT:** I don't care --

22 **DR. BRAVERMAN:** -- we're getting it --

23 **THE COURT:** -- let's not mince words.

24 **DR. BRAVERMAN:** -- so we can figure that out.

25 **THE COURT:** I want that amount designated out so I

1 know what's coming from the parking lot and it's not mixed up
2 with Bridgeland's --

3 **DR. BRAVERMAN:** Oh, no, I understand. And, yes, we
4 can do that.

5 **THE COURT:** That would --

6 **DR. BRAVERMAN:** We're doing it on paper so we can do
7 it in a more --

8 **THE COURT:** Okay.

9 **DR. BRAVERMAN:** -- hard-end fashion. The issue at
10 hand, and there's no objection to in general recompeting a
11 lease to -- recompeting a contractor, if you will, to operate a
12 parking lot.

13 **THE COURT:** Sure.

14 **DR. BRAVERMAN:** The challenge is that whatever the
15 outcome is for us to be able to allow somebody else to manage
16 this property, that operation has to be considered to be in the
17 principal interest of veterans and compliant with the West LA
18 Leasing Act. And OIG has held that money in and of itself --

19 **THE COURT:** Right.

20 **DR. BRAVERMAN:** -- is not in compliance. And so the
21 challenge here is if we were to operate a parking lot all we
22 would be getting out of it, at least initially, is money and
23 that wouldn't be compliant with the West LA Leasing Act.

24 **THE COURT:** Exactly, and that's why my initial --

25 **DR. BRAVERMAN:** So that's the --

1 **THE COURT:** -- petition was --

2 **DR. BRAVERMAN:** So that's the challenge with this.
3 If -- and where the VA's position before was because it was
4 veteran run, veterans could park free, and veteran employed as
5 a potential training opportunity, that allowed it to benefit
6 veterans. The OIG said that that wasn't good enough. And
7 that's, you know, why that's a disputed, you know, lease at the
8 moment.

9 **THE COURT:** Right.

10 **DR. BRAVERMAN:** So but if we just then made it
11 exclusively money, that would make it worse.

12 **THE COURT:** So you've got me in a box. Here's the
13 box you've got me in. And I don't mean an intentional box.

14 **DR. BRAVERMAN:** Right.

15 **THE COURT:** We and the VA don't want to run this
16 parking lot.

17 **DR. BRAVERMAN:** We can't --

18 **THE COURT:** Just a moment. Don't say that until you
19 talk to your counsel. Okay? His position's different.

20 We and VA don't want to run this parking lot. So my
21 only option left is either to create a separate entity through
22 John Hueston, you know, with separate accounts and push the VA
23 out, or we give this back to the VA to run and set up a
24 separate account and I trust you in that regard.

25 But right now I don't believe he's making \$2500 a

1 month out of 70,000. We have no accounting since 2021. And
2 you're absolutely right on the case law. Just the financial
3 compensation isn't the guidance for the principal benefit of
4 the veterans.

5 **DR. BRAVERMAN:** Yes.

6 **THE COURT:** So you two talk for just a moment. You
7 have a private conversation. Because maybe Brad's willing to
8 run this parking lot.

9 **MR. ROSENBERG:** Well, I once was a -- in high school
10 a valet parker and that job lasted --

11 **(Laughter)**

12 -- that job lasted for three days, so I don't think I
13 would be qualified.

14 **MR. HUESTON:** Can I ask just a clarifying question if
15 I can? So this is to me a special circumstance where that was
16 not envisioned by the OIG. Namely, a stopgap to allow monies
17 at maximum profitability to go to veterans until such time as
18 that property is repurposed and that money could be designated
19 earmarked for housing, which I think the Court could find is
20 principally for the benefit of veterans.

21 **DR. BRAVERMAN:** And that's good. My point wasn't we
22 couldn't do it, my point was that money alone isn't good
23 enough --

24 **THE COURT:** Right.

25 **DR. BRAVERMAN:** -- so we have to have some other

1 reason to say that it's principally benefiting veterans.

2 **THE COURT:** So you tell me what you're able and
3 willing to do from the VA's perspective first, after you've
4 talked to -- talk to Mr. -- have a conference for a moment.
5 Because when we entered this discussion the VA wasn't willing
6 to run the parking lot.

7 **MR. SPEAKER:** Your Honor, may I make an observation
8 about the accounting, please?

9 **THE COURT:** Please.

10 **MR. SPEAKER:** I think there's two parts for the
11 accounting. I appreciate the VA being willing to give us their
12 accounting. But they only know what the parking operator tells
13 them and it could be garbage in/garbage out. No offense meant
14 to the VA. What we need is an accounting from the parking
15 operator that goes back to 2021 and forward. Because then and
16 only then will we understand what's actually being pulled out
17 of that 60 or 70,000 dollars a month.

18 **THE COURT:** Look around the courtroom. Do you see
19 the parking lot owner here?

20 **MR. SPEAKER:** I do not.

21 **THE COURT:** Does that send a message to you?

22 **MR. SPEAKER:** In part.

23 **THE COURT:** Number two, what is produced by the
24 parking lot owner, very nicely --

25 **MR. SPEAKER:** Right.

1 **THE COURT:** -- he really has to take the hit of
2 getting up on the stand and really admitting that these
3 programs haven't been created. That parking lot owner's
4 hiding. So what kind of accountability am I going to get when
5 we haven't even had an accounting since 2021 and am I going to
6 let him exist for the next month or two months or three months
7 representing he's only making \$2500 a month, which I absolutely
8 don't believe.

9 **MR. SPEAKER:** Right.

10 **THE COURT:** So that's why I was starting with just
11 taking this parking lot, for want of a better word, today.

12 **MR. SPEAKER:** We understood what you're asking, I
13 thought you --

14 **THE COURT:** You two have a conversation. I don't
15 need this on the record for a minute. Okay.

16 And John, if you want to enter into it, fine, but I
17 think we may be taking the parking lot tonight.

18 **(Pause)**

19 **MR. SPEAKER:** So we understood the request for the
20 accounting was from the parking lot, yeah, from the parking lot
21 operators --

22 **THE COURT:** Yeah.

23 **MR. SPEAKER:** -- so there's no dispute there at all.

24 **THE COURT:** I do too.

25 **MR. SPEAKER:** You know, going to the issue of

1 principally benefiting veterans, one idea, to reprise one of my
2 arguments at trial, is that, you know, VA's fiduciary duties
3 are context specific and this context, as the Special Master
4 has noted, is unique because you have a parking lot that is on
5 a year-to-year lease that provides revenues that are very
6 beneficial to veterans and that everyone would like to see be
7 used to the benefit of veterans. And there's not a lot else
8 that can be used with that lot.

9 **THE COURT:** Right. How much do you get a month?
10 See, we haven't had an accounting since 2021 so you and I can't
11 trust those figures because nobody gave us an accounting. And
12 no matter what you represent today, you don't have any ability
13 to back up an amount.

14 **MR. SPEAKER:** We're willing to do the accounting to
15 back up the amount.

16 **THE COURT:** Excellent.

17 **MR. SPEAKER:** So my point is going to the second
18 point that Dr. Braverman raised, which is the legal authority
19 and whether this principally benefits veterans, due to the
20 unique circumstances of the case this Court could, for example,
21 find that the relief that it ultimately enters, if it's an
22 accounting and, you know, the further relief on the parking
23 lot, does principally benefit veterans in this context and that
24 could potentially solve the wrinkle that the VA currently has
25 with its OIG. But it would need to be part of the Court's

1 findings, and that obviously means that the Court itself would
2 be satisfied.

3 **THE COURT:** My main question is who's going to run
4 the parking lot?

5 **MR. SPEAKER:** I think that the anticipation is that
6 if the accounting demonstrates that everything is on the up and
7 up, then, you know, it could potentially be recompeted but it
8 would probably need to include -- that competition would
9 probably need to include provisions, as the current lease does,
10 that whoever runs the parking lot would need to employ
11 veterans, for example, and that might help with the finding
12 that this --

13 **THE COURT:** That's a given. No matter what. Whether
14 you run it, we run it, or the present lessee owns it, it's
15 going to employ veterans. In fact, I'm trying to make certain
16 that we continue that employment.

17 But I'm caught in a box again. Unless the VA's going
18 to run it, I have to depend upon some fictional accounting or I
19 have to create another entity to just monitor. And federal
20 courts I think, and I'll put it for the record, don't run
21 things very well.

22 **MR. SPEAKER:** I will put on the record that I think
23 the VA, and I'm on the same page as Dr. Braverman, VA cannot
24 run a parking lot at all.

25 **THE COURT:** Okay, so what do we do? What's our

1 solution here?

2 **MR. SPEAKER:** I think the solution is we order the
3 accounting, the VA, you know, provides, you know, works with
4 the Safety Park to provide that accounting, and then we can see
5 where we are. But if it also wants to order a re-compete of
6 that agreement, we would need to make sure that any
7 re-competition complies with applicable contracting laws. I'm
8 not a government contract expert.

9 **THE COURT:** Then let's run with that for a moment.
10 How long is that going to take? Because I don't want this
11 parking lot operator potentially enriching himself. Number
12 two, we haven't had an accounting so we take Roman's advice and
13 go back to 2021? I can just see that parking lot owner, who's
14 not here, come back with, gee, Judge, we don't have any
15 records. And number two, I don't have any authority over that
16 parking lot operator, do I? I have to invite them to come in,
17 just like the Chancellor.

18 **MR. SPEAKER:** Well, I can issue a subpoena tomorrow
19 for all the books and records of Safety Park and I can provide
20 that to the VA. I can do that --

21 **THE COURT:** Okay, so John, would you do that? Would
22 you step over and talk to them? And let's see if we can come
23 up with at least the issue before the Chancellor comes in.

24 **MR. SPEAKER:** Okay.

25 **THE COURT:** In other words, I'm willing to work with

1 you on accounting, but I'm not willing to let this go, you
2 know, months.

3 **MR. SPEAKER:** No, no --

4 **THE COURT:** Okay, so --

5 **MR. SPEAKER:** -- it's going to happen tomorrow.

6 **THE COURT:** Dr. Braverman, enter into this discussion
7 quietly. Okay? And bring your colleague with you.

8 John, if this doesn't work out I'm going to take that
9 parking lot, for want of a better word. And guess what you get
10 to run, the parking lot.

11 **(Pause)**

12 And Counsel, I'm going to bet you anything while
13 they're discussing this that no matter what we say about an
14 accounting, we're not going to get an accounting two or three
15 years ago. I promise you that person's going to come in and
16 say that they don't have records. Or if they do have records,
17 whether I'm supposed to accept them or not. So I want to stop
18 the hemorrhaging.

19 **(Pause)**

20 **(Audio ended at 6:16:03; resumed at 6:23:17)**

21 **THE COURT:** We're back on the record, and I see
22 counsel approaching along with the special master.

23 So, John, do I turn this over to you, Mr. Hueston?

24 **MR. HUESTON:** Yes.

25 **THE COURT:** All right.

1 **MR. HUESTON:** So, Your Honor, we had a discussion
2 between the parties. And everyone is in (inaudible) process.
3 I've been told that the most expedited recomplete process would
4 take 90 days to complete so --

5 **THE COURT:** Explain that to me. And I'm sorry.

6 **MR. HUESTON:** I'm going to have to rely on someone
7 from the VA's office to explain why it takes 90 days. They say
8 that government rules require a certain period of notice it's
9 coming in, and that 90 is the shortest period that could be
10 contemplated.

11 **THE COURT:** And just state your name again.

12 **MS. BLACK:** Absolutely. Chelsea Black for the
13 record.

14 **THE COURT:** And move that microphone closer to you.

15 **MS. BLACK:** Yes, sure. Yes. So thank you.

16 So typically procurements of this nature would take
17 around 90 days. And I say that just because it's usually a 30-
18 day notification.

19 So this would be publicized on contract opportunity,
20 government opportunity websites. That typically takes about 30
21 days.

22 If you take the front end of the process creating the
23 statement of work, making sure that that requirement is sound
24 and putting that package together, getting it to contracting,
25 that front part is about 30 days.

1 And that's just contracting process and the
2 requirement, getting it to a point where, like I said, it can
3 be posted. And that's for about 30 days. So right --

4 **THE COURT:** I --

5 **MS. BLACK:** -- there about 60 days.

6 **THE COURT:** I think I understand now.

7 **MS. BLACK:** Okay.

8 **THE COURT:** I think I do.

9 **MS. BLACK:** Okay.

10 **THE COURT:** The point is we need about 90 days.

11 **MS. BLACK:** Correct.

12 And one more thing we discussed is because this
13 contract really doesn't have a great deal of profit, really any
14 profit at all, it's just basically a contractor running the
15 site and subtracting out the operating expenses --

16 **THE COURT:** How do I know that?

17 **MS. BLACK:** We have the kind of the accounting
18 information in terms of the operating expenses --

19 **THE COURT:** Oh, we have -- I haven't seen that
20 before. Have you, on the Plaintiffs' side?

21 **MS. BLACK:** Not --

22 **THE COURT:** The VA, have you seen this before?

23 **(Ms. Black/Mr. Speaker confer.)**

24 **MS. BLACK:** It's not the audit. It's we get --

25 **THE COURT:** You two have a conversation just so

1 you're in sync, because I haven't heard this information
2 before.

3 **(Ms. Black/Mr. Speaker confer.)**

4 **THE COURT:** And what has to occur is no further
5 discussion if this accounting isn't forthcoming. In other
6 words, whatever period of time is, if there's no satisfaction
7 on the Court's part, I terminate this. But that would give us
8 time to make certain the veterans are employed in the meantime.

9 We don't -- I -- even tonight I wouldn't order a
10 termination tomorrow or the next day. I want those veterans
11 employed. But by the same token, this can't go on until July
12 of next year, so I need that accounting, I need that to go
13 back.

14 And if he doesn't have that accounting, do you see
15 the parking lot owner here, speaks volumes to me. So that's
16 why I don't know if we even have the cooperation.

17 **MS. BLACK:** I'm sorry. So what I was referencing was
18 a monthly list of expenditures.

19 **THE COURT:** Pull that closer.

20 **MS. BLACK:** A monthly list of expenditures, so
21 insurance, employee costs, that -- those type of expenses, we
22 have that.

23 **THE COURT:** You have that now.

24 **MS. BLACK:** That is correct.

25 **THE COURT:** Then why wasn't this accounted for

1 earlier? In other words, if we have these kinds of accounting
2 records, what happened in -- and help me, it's not you. You've
3 been magnificent. I want to state that on the record. Thank
4 you.

5 Why didn't we have that in 2022, 2023? In other
6 words, if we have these records, why didn't we have an
7 accounting?

8 **MR. SPEAKER:** Well, if I can intervene, what I think
9 I'm hearing is all they have is some sort of summary document
10 that comes in, --

11 **THE COURT:** Oh.

12 **MR. SPEAKER:** -- which is not worth its weight
13 because we want to see the documentation and paper behind it.
14 That's what an accounting is.

15 **THE COURT:** Yeah.

16 **MR. SPEAKER:** And they did that only once. And my
17 understanding is they completed in 2022 one for fiscal year
18 2021, and not one since then.

19 And I'm gathering that you've relied on them to give
20 you summary reports of expenses, overhead, and the like on a
21 monthly basis.

22 **MS. BLACK:** Correct.

23 **THE COURT:** So we've got a summary basically.

24 **MS. BLACK:** Correct.

25 **MR. SILBERFELD:** Right.

1 **THE COURT:** That's not worth very much.

2 **MR. SPEAKER:** No.

3 **THE COURT:** Now, that's not directed at you. Thank
4 you again. I want the record clear how much the Court
5 appreciates you. But that's not worth anything to me.

6 Okay. I want to hear from the Plaintiffs. Are you
7 agreeable to this?

8 **MR. SILBERFELD:** Completely.

9 **THE COURT:** The VA, are you agreeable to this?

10 **MR. ROSENBERG:** Yes. I thought of one clarifying
11 point which we did not discuss. But if -- let's -- the
12 accounting goes forward, and there are two possibilities I
13 suppose that the accounting could reveal, one is that the
14 contract is on the up-and-up, everything's great.

15 **THE COURT:** Yeah.

16 **MR. ROSENBERG:** In which case the Court may still --
17 and VA may still go forward with the recompetete --

18 **THE COURT:** And by the way, I may allow a new lease
19 for a year. If this is beneficial, I can back off my position,
20 Brad, if it's bringing income and employment. But right now
21 I'm suspicious.

22 **MR. ROSENBERG:** I'm just trying to think ahead. I
23 believe that contract runs June 1st to May 31st.

24 **THE COURT:** Okay.

25 **MR. ROSENBERG:** So if the accounting's on the up-and-

1 up, presumably VA, even if it were recompeted with a lower
2 bidder, presumably the recompetete would be for the new contract
3 term, --

4 **THE COURT:** Right.

5 **MR. ROSENBERG:** -- unless potentially there as
6 something revealed in the accounting that was problematic, in
7 which case we would have to address that --

8 **THE COURT:** And from now on --

9 **MR. ROSENBERG:** -- at that point in time.

10 **THE COURT:** -- every year we would have an accounting
11 until and unless the Court needed this property. And what I
12 have to be certain of is I don't want a wasting asset. But if
13 I need that property and if it passes the methane test, then I
14 want that property available, okay?

15 **MR. ROSENBERG:** Understood.

16 **THE COURT:** Okay. Now, Roman, are you agreeable with
17 this?

18 **MR. SILBERFELD:** I am. And just to be clear, what we
19 contemplate is that the accounting and the recompetete process
20 occur in parallel starting tomorrow.

21 **THE COURT:** Okay. Brad, are you agreeable to this?
22 No, you don't have to get up, just --

23 **MR. ROSENBERG:** Yes.

24 **THE COURT:** -- it's fine.

25 **MR. ROSENBERG:** Yes.

1 **THE COURT:** You're getting a lot of exercise, okay,
2 all right.

3 John?

4 **MR. HUESTON:** (No audible response.)

5 **THE COURT:** Okay. Una, Will, write this up. Let me
6 see this in writing. We're not leaving until tonight until we
7 all read this so there's no catch 22, we see it in writing.

8 Roman, you can help with this, or Mark or Brad or
9 anybody else. But we see this in writing so there's no
10 disagreement. And I'm going to docket that so be certain what
11 you're doing here because this is going to be a public record,
12 okay?

13 Is the chancellor here?

14 **MR. SPEAKER:** Last GPS info I got was 6:31, --

15 **THE COURT:** Okay.

16 **MR. SPEAKER:** -- which is right now so --

17 **THE COURT:** All right. We're going to --

18 **MR. SPEAKER:** -- he's probably parking (inaudible) --

19 **THE COURT:** -- take a recess until he's here,
20 counsel, probably ten or 15 minutes.

21 **(Recess taken from 6:30 p.m. to 6:52 p.m.)**

22 **THE COURT:** Counsel, we're on the record. We're
23 still on CourtSmart this evening. And I understand counsel
24 representing UCLA, that the chancellor is here; is that
25 correct?

1 **MR. CARDOZA:** Yes, Your Honor. I'd like you to meet
2 Chancellor --

3 **THE COURT:** Please.

4 **MR. SPEAKER:** -- Darnell Hunt.

5 **THE COURT:** It'd be pleasure. Sir, come on up for
6 just a moment. It's a pleasure to meet you.

7 **MR. HUNT:** Great, thank you.

8 **THE COURT:** I understand you're the interim
9 chancellor.

10 **MR. HUNT:** That's correct. Starting --

11 **THE COURT:** And then another person takes over in
12 January.

13 **MR. HUNT:** That's right.

14 **THE COURT:** Let me just humbly say, first of all,
15 thank you.

16 **MR. HUNT:** Thank you.

17 **THE COURT:** I want that on the record.

18 And, second, I'm sorry that you're in the position as
19 the interim chancellor, you know, being placed in this
20 position. I wish either Gene Block was here or the future
21 chancellor. So I commend you, and I want to thank you for
22 coming down tonight.

23 I know that the special master has spoken to you and
24 spoken to your counsel. So, counsel, why don't you come up
25 with your client for just a moment.

1 And I know that there was a proposal. I think I know
2 what it is but I'm not quite certain. So I haven't spoken
3 enough in length with Mr. Heuston yet.

4 MR. CARDOZA: Yeah, if I could --

5 **THE COURT:** But he said you wanted to make a --

6 MR. CARDOZA: -- just summarize it for you. That
7 basically four --

8 **THE COURT:** Yeah. But you said you wanted to make a
9 representation tonight about what a proposal might be.

10 MR. CARDOZA: Yeah.

11 **THE COURT:** Okay. Please.

12 MR. CARDOZA: So basically there's four provisions.

13 **THE COURT:** Come closer to the microphone because I'm
14 on CourtSmart.

15 MR. CARDOZA: There's sort of four aspects to it.
16 The primary one is the housing planners, the people who are
17 picking what -- how we ideally accomplish this housing
18 objective select two acres on the site that they think would
19 work best for what they're trying to do on the whole program.

20 **THE COURT:** Come closer to the mic and you just
21 restate that a little bit slower.

22 **MR. CARDOZA:** Yeah. The housing planners select two
23 acres on the site that's leased to UCLA that they think would
24 best serve the program that they're trying to build with this
25 housing.

1 If -- and then the timeline would go based upon when
2 they want it, what they need to do to get there, etcetera.

3 We would just want to have advance notice so, for
4 example, if they select the parking lot, they say that's the
5 place that we would develop housing, we'd want some time to
6 transition that so that there's still parking.

7 **THE COURT:** Of this two acres.

8 **MR. SPEAKER:** Yeah. If they took the -- they said
9 the parking lot's where we -- would be the most productive
10 place to build housing, or wherever they pick it, we'd want to
11 know in advance so if there was a use.

12 Like right now we'd want the baseball stadium and
13 complex, the facilities that go with it, to remain intact, and
14 so we would want to have parking somewhere where people could
15 park or work something out and a little bit of time to do that.

16 When that happens, this leasing acts, the 2016
17 leasing act contemplated that there would be services provided
18 while the baseball stadium use continued in sort of a ratio to
19 the fair market value.

20 So we'd want the site reappraised at that time to be
21 the site that it's -- now is so that the services obligation
22 would have a benchmark against which.

23 And then the last thing that we think we should do is
24 have a calculation of -- one thing we were curious about,
25 we're -- haven't mastered the record yet, Your Honor, tried to

1 read as much of this as I could in sprinting up to this
2 hearing.

3 We didn't see any assessment of the hours that are
4 being devoted to these in-kind services versus the hours
5 devoted to baseball but that, you know, the text of the act
6 which refers to the predominant focus of the activities of the
7 regents at the campus, we think that hours assessment is useful
8 because we think it would show that what's currently being done
9 is many more hours than baseball in terms of the activities of
10 the UCLA, the campus.

11 And it's important to UCLA because we were not at
12 this trial, we did not participate.

13 The inspector general, each time it examined this,
14 found our leases comply. I know there was findings that other
15 leases were complying in the inspector general's.

16 And it's important to us arriving at this juncture
17 that going forward the full extent of what UCLA's doing at that
18 campus is (inaudible) to the community, the public, and the
19 orders of this courts because we're a little concerned that the
20 record may not have reflected that. We weren't here at this
21 trial so we don't know for sure.

22 But our understanding of the extent of the services
23 and the hour commitment and so on, our understanding was it was
24 fully compliant with the lease. So we'd like as a piece of
25 this going forward that those kinds of data be formally

1 assessed and part of the solution.

2 **THE COURT:** Chancellor, you may not -- you may be in
3 a non-enviable position in terms of information. You're busy.
4 I don't want any embarrassment to you.

5 The record here and the findings of this Court have
6 been in summary that the VA, McKenrick, consulted with another
7 VA representative and a tape was played.

8 And the basis of that tape was a conversation by VA
9 officials that there was a FOIA request actually coming from
10 the *Daily Bruin*, from one of your reporters, and that the
11 conversation involved the VA's concern that if the veterans
12 knew about Braca field at the time, that the veterans would
13 push back.

14 And what occurred in summary, and I can give you the
15 findings of fact but --

16 **MR. CARDOZA:** No, no, I'm aware.

17 **THE COURT:** Yeah.

18 **MR. CARDOZA:** You've --

19 **THE COURT:** Okay.

20 **MR. CARDOZA:** We've had this conversation --

21 **THE COURT:** So --

22 **MR. CARDOZA:** -- earlier today.

23 **THE COURT:** I just want to be certain because, --

24 **MR. CARDOZA:** Yeah.

25 **THE COURT:** -- first of all, I want to find that once

1 again humbly thank you, okay.

2 But then a call was placed to Tony, and I forget his
3 last name.

4 **MR. CARDOZA:** DeFrancesco, yes.

5 **THE COURT:** By the way, I want to compliment you
6 because he was put in a position of having to answer what any
7 reasonable, credible person would be, and that is that the
8 baseball field was not for the benefit of the veterans.

9 And it was an unenviable position watching him, who's
10 a loyal, true Bruin, trust me, who has your best interest at
11 heart, be put through that examination and cross examination.

12 So you really should be proud of the fact that
13 anybody would have had to answer by that time without losing
14 complete credibility, okay.

15 **MR. CARDOZA:** Yeah. Absolutely, Your Honor. That --

16 **THE COURT:** Okay.

17 **MR. CARDOZA:** -- was part of my point because --

18 **THE COURT:** Now, what happened was that a call was
19 placed to Tony in the UCLA athletic department. He then went
20 to the assistant or vice of the -- I don't know the correct
21 name, assistant athletic director.

22 But then a call was placed so I'm certain you
23 understand over to UCLA. And at that time the strategic
24 planning department was involved, the communications department
25 involved, and the chief of staff to the chancellor, who was

1 Gene Block at the time. You have nothing to do with that.
2 Okay.

3 In a sense, I found that the VA fronted UCLA in a
4 sense, and you were supposed to make this announcement so that
5 the veterans then didn't intercede and didn't cause a pushback
6 of Braca field.

7 And we've got a lot at stake here. I recognize that
8 this is expensive.

9 And what I understand is summary, and I want John to
10 repeat this to me because you had the actual conversation, is
11 that there is -- are two acres being offered that you would
12 choose in the future for development.

13 **MR. CARDOZA:** Those who are -- not us, those who are
14 deciding what's best for housing, which is not us.

15 **THE COURT:** And would that be?

16 **MR. CARDOZA:** The VA and the Plaintiffs I think in
17 conjunction.

18 **THE COURT:** So they would choose two of the --

19 **MR. CARDOZA:** Yeah.

20 **THE COURT:** -- ten acres.

21 **MR. CARDOZA:** That's just because we're not involved
22 to the same degree as the other parties in this whole housing
23 program that everyone's been --

24 **THE COURT:** Okay.

25 **MR. CARDOZA:** -- spending the day talking about.

1 **THE COURT:** Now, you'll never understand my position,
2 but my position is that the VA has in the past -- and I think
3 we're reaching a better accommodation. I think we're actually
4 going to be able to maybe work together on this.

5 But in the past there's been a claim that various
6 pieces of property, whether it's temporary supportive housing
7 or long-term supportive housing, were off the books in a sense,
8 that for a number of reasons there wasn't land available for
9 either or both.

10 And what that's caused is that the Court needs to
11 have as much property as available because lo and behold we ran
12 into methane problems in a park called Barrington Park that was
13 unexpected.

14 And so the less the Court has to offer to
15 Mr. Soboroff, raise your hand, and Mr. Johnson, and the parties
16 over here, the more I'm constrained in terms of trying to make
17 certain that 1800 veterans are housed with long-term supportive
18 housing, or 750 or some lesser amount. And that's still up in
19 the air.

20 So the more the VA has told me in the past that we
21 don't have property, the more I'm pressing in now on Brentwood
22 or UCLA. And that's the unenviable position you're in. And
23 the veterans come first here. It's their land, period.

24 **MR. CARDOZA:** Yeah, absolutely, Your Honor.

25 **THE COURT:** Okay. Now, --

1 **MR. CARDOZA:** And that's why we're trying to -- our
2 proposal is focused --

3 **THE COURT:** Okay.

4 **MR. CARDOZA:** -- on the property availability.

5 **THE COURT:** Now, this is going to --

6 **MR. CARDOZA:** All I'm saying is --

7 **THE COURT:** Yeah.

8 **MR. CARDOZA:** -- others are better positioned than us
9 to say --

10 **THE COURT:** Okay.

11 **MR. CARDOZA:** -- how to utilize it, how to take that
12 property --

13 **THE COURT:** Yeah.

14 **MR. CARDOZA:** -- and run with it. That's all.

15 **THE COURT:** Some place in my hazy memory I recall
16 UCLA purchasing some land in Palos Verdes. And you won't know
17 anything about this in a moment so this will catch you a little
18 bit by surprise. You don't need to comment.

19 So, Don, would you take the lectern, and John if need
20 be, and would you disclose some independent research you've
21 done for the special master that's come to my Court attention
22 about the purchase of UCLA property in the 1970s and 1980s?

23 And so by background, your stadium was built in 1988.
24 I think that we're going to find that there were 22 acres
25 available at that time in some videotapes we're going to show

1 you.

2 So let's just begin, Don, with what you discovered
3 and conveyed to the special master and to me.

4 And by the way, this is an incredible piece of
5 property. And I know you have two pieces of property, one I'm
6 going to call South Bay, which is a kind of development.

7 And then we've got what I'm going to represent to you
8 appears to be 22 acres, plus another contiguous 13 acres -- I'm
9 sorry, 12 acres.

10 So, Don, why don't you take John Hueston and me once
11 again and our -- all of our parties through what you found.

12 **MR. SPEAKER:** Sure. So I went out and looked at the
13 property. I also then went and ordered a property profile and
14 a counter assessor of that location of the UCLA South Bay
15 campus.

16 There was two parcels built or bought, parcel
17 7564242, which was the first one bought. It was purchased in
18 January 14th of 1976.

19 **THE COURT:** Now how much acreage was that, Don?

20 **MR. SPEAKER:** What's that?

21 **THE COURT:** How much acreage was purchased?

22 **MR. SPEAKER:** And acreage is 20,874.

23 **THE COURT:** How many acres?

24 **MR. SPEAKER:** So it's 20 -- over 20 acres. It's
25 almost 21 acres.

1 **THE COURT:** And it was represented to me, and I
2 haven't been out there yet but I'm about to go out there, that
3 you have about 21 acres purchased in 1974. And I think the
4 price, Don, you told John Heuston and me was 1.2 million.

5 **MR. SPEAKER:** This was -- it's 1.8 million.

6 **THE COURT:** Okay. Now hold on. Let's freeze it
7 there; 1974, our stadium isn't --

8 **MR. SPEAKER:** Seventy-six.

9 **THE COURT:** -- built at UCLA -- 1970 what?

10 **MR. SPEAKER:** Six.

11 **THE COURT:** Nineteen seventy-six, our stadium isn't
12 built at UCLA yet. We've got 22 acres in Palos Verdes, okay.

13 Now when's the next purchase, Don?

14 **MR. SPEAKER:** Okay. So the -- so on that, so it was
15 bought on 1976, January, and then they built on 1991 39,451
16 square feet of building.

17 **THE COURT:** But I want to know the acreage, Don.

18 **MR. SPEAKER:** And then so on the second one, that one
19 was purchased -- it was hard to paper trail because it looked
20 like it was bought on 1998, but it looks now that Marymount
21 College bought it and then sold it to Regent of the University
22 of California on January 25th, 2023.

23 **THE COURT:** Okay. Now, --

24 **MR. SPEAKER:** And that acreage is 12 acres, 12.8 or
25 12.9 --

1 **THE COURT:** Okay.

2 **MR. SPEAKER:** -- acres, almost 13 acres.

3 **THE COURT:** Now what -- you can check in the future
4 if you choose to is we believe that this is contiguous
5 property.

6 In other words, believe in 1976 we've got 22 acres in
7 Palos Verdes -- and we're going to show you a couple videos in
8 a moment. Don sent me 70 of them. I'm going to show just two
9 tonight, okay?

10 **MR. SPEAKER:** Yeah.

11 **THE COURT:** And then there's a contiguous piece of
12 property we believe purchased. And what was the year again,
13 Don? The second piece of property, what year?

14 **MR. SPEAKER:** It was on January 25th, 2023.

15 **THE COURT:** Okay. So that 13 acres wasn't available
16 to UCLA when the stadium was built in 1988, correct?

17 **MR. SPEAKER:** I believe that stadium was built in
18 1981.

19 **THE COURT:** Okay. Now, --

20 **MR. SPEAKER:** And this was --

21 **THE COURT:** -- we know therefore that this land was
22 available -- and could you play the first of a couple tapes?
23 And let's watch this together.

24 Well, if you can operate the machinery here. Just
25 play it. And we have volume so you can turn up the volume on

1 this. Okay, now play it.

2 **MS. SPEAKER:** Can they see the screen?

3 **THE COURT:** Can you see the screen, all of you folks?

4 (No audible response.)

5 **(Court/Ms. Speaker confer.)**

6 So let's play the first tape. And by the way,
7 there's 70 of these so --

8 **MS. SPEAKER:** Yeah, I don't know which one.

9 **(Pause)**

10 **THE COURT:** They're doing something down there
11 (inaudible).

12 **(Court/Ms. Speaker confer.)**

13 **THE COURT:** And this isn't on your screen yet, is it?

14 **MS. SPEAKER:** No.

15 **THE COURT:** Let the record reflect there's one judge
16 and three law clerks trying to solve this. Okay. You ready?
17 All right. Let's play this.

18 **(Video played from 7:09 p.m. to 7:09 p.m.)**

19 **THE COURT:** Okay. And let's put the next one up.

20 **(Video played from 7:09 p.m. to 7:09 p.m.)**

21 **THE COURT:** Now, those are only five-second clips so
22 they could be, you know, exported to both John Hueston and me.

23 But if these records are correct, it meant in 1976
24 that UCLA had 22 acres available for a stadium that was built
25 in 1981 or after.

1 So value choice was made at that time to go over to
2 the VA, probably because it's close to campus and you want your
3 baseball team.

4 But this is undeveloped property. And it's not my
5 concern how UCLA develops this. But I do know now, subject to
6 your checking on the Court, that at least 22 acres was
7 available and a value choice was made not to use this property.

8 So when I'm told we don't have property, I respect
9 your decision as counsel and the chancellor. But I know now
10 that we had 22 acres available and a value choice was used not
11 to use it, to take the veterans' property instead.

12 **MR. CARDOZA:** Yeah, understood, Your Honor.

13 The team was playing at a -- at the same location
14 going back to the sixties, and then the site it's on was
15 developed into the Jackie Robinson Stadium in the eighties.
16 And maybe they could have gone elsewhere.

17 I think these were the tradeoffs and judgment calls
18 Congress was balancing when it got to the 2016 leasing act
19 because it had to deal with that historical record, but then it
20 had to deal with the fact that you had this facility fully
21 built out there that serves -- its right by the Westwood
22 campus, there's a reason to keep that going.

23 And what Congress concluded was there's a win-win in
24 allowing the baseball stadium to go forward while having these
25 three million a year in services that UCLA's been providing.

1 It's thousands of veterans receive benefits as a
2 result of that kind of tradeoff that Congress struck in the
3 leasing act.

4 And they range the spectrum. It's a legal clinic,
5 it's wellness, it's a full spectrum of services that really
6 brings -- you know, when we're talking about trying to get this
7 back to being a community, it's not just housing but the whole
8 thing, what UCLA, the partnership between UCLA and the VA is a
9 really important part of that. It brings so much more in the
10 services.

11 **THE COURT:** How about --

12 **MR. CARDOZA:** And so --

13 **THE COURT:** -- the veterans?

14 **MR. CARDOZA:** (No audible response.)

15 **THE COURT:** How about the veterans?

16 **MR. CARDOZA:** Exactly. These services are legal
17 assistance to veterans, including housing assistance. As you
18 know, veterans unfortunately suffer more citations and things
19 like that, they get them dismissed; an entire health and
20 wellness program for not just the veterans but their families.

21 And the full range of services, which I'm not sure if
22 the most recent evidence made it into this court trial. This
23 last year, the in-kind services were 2.9 million, which is
24 considerably above the number that's apparently made it into
25 evidence in this court.

1 And that's the thing that preserving this lease and
2 this arrangement, it's much more than a lease. It's a
3 partnership between an institution that has a lot to offer
4 veterans but -- and but veterans on whose land the stadium has
5 been built.

6 It's a good tradeoff from our perspective.

7 We understand the need to make land available, so
8 that was where the offer of our two acres are. But we do think
9 the --

10 **THE COURT:** Well, just a moment. Chancellor, --

11 **MR. CARDOZA:** -- other pieces of it --

12 **THE COURT:** -- if you want to be seated any time,
13 there's no reason for you to, you know, --

14 **MR. HUNT:** Thank you.

15 **THE COURT:** Counsel can come back if we have
16 questions but I don't want you to have to stand there, okay?

17 **MR. CARDOZA:** And so we think this very productive
18 and beneficial tradeoff that Congress struck, with these
19 additions, would give it -- would continue -- because it's also
20 going in the right direction.

21 I know there were concerns at trial about the level
22 of staffing and so on in some of the clinics in prior years.
23 That's been augmented.

24 If you look at the most recent numbers, it's gone up.
25 The services program is a very robust and thriving and growing

1 partnership.

2 And kind of throwing a grenade into it right now I
3 don't think is in the best interest of veterans, your honors
4 (sic). It's not the best thing for the veterans.

5 And the priority is not the baseball team and the
6 baseball program. But those kids are innocent.

7 They don't need to be unnecessarily hampered or so on
8 when the benefits to the veterans are prioritized as they are
9 under the deal Congress struck in the leasing act, as they are
10 under this proposal.

11 **THE COURT:** Okay. Let's hear from the respective
12 parties. I think the VA may maintain your position, they may
13 not. But I want to hear from the Plaintiffs because they
14 certainly haven't maintained that position.

15 **MR. SILBERFELD:** Roman Silberfeld, Your Honor.

16 **THE COURT:** Little bit louder.

17 **MR. SILBERFELD:** Sure. I haven't heard anything
18 tonight in the last half hour which changes not my view but the
19 view that the predominant focus of the activities of the
20 regents on the campus is baseball. It remains baseball.

21 The provision of services has been spotty at best.
22 And when I recount the fact that at trial the evidence was
23 admittedly that the predominant focus was baseball, I don't
24 know that we can get past that, candidly, with respect to this
25 lease.

1 That's all I have.

2 **THE COURT:** If the VA has --

3 **MR. SPEAKER:** (Inaudible)

4 **THE COURT:** Just a moment, counsel, just one moment.

5 If the VA has a position, so be it. But I'm not
6 requiring that. If you want to remain silent, you can. If you
7 want to state a position, Brad, --

8 **MR. ROSENBERG:** I'll just note two things.

9 In terms of the evidence that was presented at trial,
10 and there was evidence on UCLA's lease, we did submit the
11 congressional reports. I think it's Exhibit Number 1293. Let
12 me double-check because I just pulled it up.

13 Twelve ninety-three I believe was the most recent
14 congressional reports. But you may recall we submitted a
15 series of congressional reports.

16 And those reports, just want to highlight for the
17 Court that those reports do identify the financial and in-kind
18 contributions that UCLA makes, in case the Court wants to refer
19 to those.

20 I will also note that this has been an area of
21 ambiguity in this case as to whether Plaintiffs were
22 challenging the UCLA lease.

23 And my recollection is that Plaintiffs' counsel
24 during closing argument amended the complaint, or the amended
25 complaint at that time to include a challenge under the

1 fiduciary theories of UCLA's lease.

2 And this Court obviously took up that challenge in
3 its decision, and also held that Plaintiffs were not
4 challenging the UCLA lease under the APA.

5 **THE COURT:** Okay. Counsel, your response, please.

6 **MR. CARDOZA:** Yeah, thank you, Your Honor.

7 I think it's really important before the very, very
8 significant decisions that are being contemplated that we don't
9 make these decisions based upon a clever lawyer's ability to
10 trip up a witness in cross examination who isn't even a party
11 to the case, doesn't even know that the lease is at issue,
12 etcetera.

13 You heard from Mr. DeFrancesco, he's extremely
14 dedicated to this program. He's hired a staff that's primarily
15 veterans to do this.

16 This legalese about predominant focus, the text of
17 the act is the provision of services to veterans is the
18 predominant focus of the activities of the regents of the
19 campus during the terms of the lease.

20 It was explicitly the baseball stadium can continue
21 and be the primary use of the ten acres, but the activities at
22 the campus be the predominant focus of everything that the
23 regent's doing.

24 If you measure it in hours devoted to these clinics,
25 if you measure it in dollars, the actual dollar numbers, what's

1 in the congressional record supplemented with the last year
2 where it goes up to 2.9, this test is met.

3 And I was very troubled in some of the discussions
4 before what I -- you know, (inaudible) to this trying to figure
5 out what's going on, what do people want, what's going to work
6 here for a proposal, I was very troubled to hear the
7 denigration of the services in that conversation, and then to
8 hear it again today.

9 These are a substantial effort put in by people from
10 all over UCLA who are passionately devoted to these veterans.
11 And the way it was just described, I don't know -- I'm really
12 concerned.

13 Are the thousands of people who've received these
14 services, do they have this view? I don't think they do. The
15 very -- all the feedback we get is that they extremely
16 appreciative of these services.

17 And the whole objective of making this community more
18 vibrant, not just the housing but the entire thing, that's what
19 Congress -- that's why Congress ordered different provision for
20 the regents from all other lessees, because that's what UCLA
21 was bringing to the table.

22 And that's what UCLA has brought to the table. And I
23 don't think it's right to denigrate the very diligent and
24 passionate devotion of all the people who've contributed all of
25 these hours to these services and the way that it was done.

1 And I asked Plaintiffs' counsel, so if this \$3
2 million of services went away tomorrow, your side doesn't care
3 about that. And the answer was something like, no, it's not
4 important, it's insignificant.

5 And that troubles me, Judge, because everything
6 UCLA's done on this lease, they took this to heart, the
7 predominant focus of the veterans. Their staff is dedicated to
8 the veterans.

9 I understood my charging orders coming here today was
10 the veterans are first today in this proceeding.

11 And this poo-pooing of the services that have been
12 delivered and are being, I don't know, put on the chopping
13 block here today, or I don't know what the -- what was meant by
14 they're insignificant, they're meaningless.

15 I don't think we should make decisions by tripping up
16 people on cross examination. I think we should look at the
17 data of the true value of these services, the full volume, the
18 hours, those things because those will tell you this is an
19 arrangement that needs to be kept enforce.

20 And when we're trying to build community,
21 collaboration between an institution like UCLA that can do so
22 much for veterans and these veterans, throwing the kinds of
23 grenades into that relationship that are being suggested,
24 that's not how you build community. That's not how you build
25 this partnership for the future.

1 So I think the -- I think it's important that Your
2 Honor enter orders that show the veterans come first, the two
3 acres, that's an effort to do that.

4 But let's not lob a grenade into something that's,
5 from UCLA's perspective, working well for the veterans, at
6 least not without hearing from those veterans who are receiving
7 these in-kind services.

8 **THE COURT:** Counsel, let me turn back to the
9 Plaintiffs for a moment and then back to the VA.

10 And I'll need you to identify yourself because we're
11 on CourtSmart.

12 **MR. ROSENBAUM:** Good evening, Your Honor. Mark
13 Rosenbaum on behalf of Plaintiffs. I want to respond to a
14 number of those points.

15 First of all, nobody got tripped up here.
16 Mr. DeFrancesco was the 30(b)(6) witness whom UCLA designated
17 to represent the university. That was a choice that UCLA made.

18 And quite frankly, they made a good choice because,
19 as Your Honor heard, this was an individual who was fully
20 familiar --

21 **THE COURT:** Yeah.

22 **MR. ROSENBAUM:** -- with all the activities that UCLA
23 was providing on this campus for veterans.

24 Secondly, the baseball program, as Mr. DeFrancesco
25 testified, is the predominant focus of UCLA's -- of the

1 regent's activities on that campus. It wasn't even a close
2 question.

3 Everything revolved around that baseball program.
4 They pay their coach a million dollars through all the
5 benefits. They run for-profit camps. They recruit athletes.

6 They get donations which in fact paid for the
7 infield. And there were other donations as well. That was the
8 predominant focus of all the activities that took place, and it
9 has been.

10 And some of those in-kind services -- perhaps you're
11 not familiar with the record, sir -- was they put as their
12 in-kind services the fact that they gave hotdogs and Cokes.
13 That number was part of that number.

14 They put as part of their in-kind services that they
15 gave free tickets to veterans, not thousands of veterans, there
16 haven't been thousands of veterans anywhere close served by
17 UCLA.

18 But they would put down to a half-empty stadium free
19 tickets that they gave to veterans. They put down as their
20 in-kind services refrigerator magnets and caps that they gave
21 to them. That was part of the practice itself.

22 As for the other so-called services, Mr. DeFrancesco
23 did testify about that. Your Honor will recall that the legal
24 clinic, which is resourced by professors who have no background
25 whatsoever in military law, that the clinic itself on the

1 grounds was not even open to veterans that they could even come
2 in; that it was filthy, that there were trash that was
3 maintained there, and that for individuals who had
4 disabilities, they could not even get in.

5 And Mr. DeFrancesco testified that when he tried to
6 bring that to the attention of UCLA and the VA, nothing was
7 done about that for all for over a year.

8 He also testified that with respect to -- and Your
9 Honor has made reference to this -- at the height of the
10 pandemic, when there were veterans on San Vicente sleeping in
11 tents or on the ground, and the prospect was raised, can we use
12 this parking lot to have some temporary housing, at the height
13 of the pandemic with veterans living and dying -- and some of
14 them died -- the response by UCLA was, no, because that will
15 interfere with our baseball schedule.

16 And as for the amount of money that is being paid
17 here, Mr. DeFrancesco honestly testified that the amount of
18 money that was paid was "a very good deal for UCLA."

19 Nothing -- I just (inaudible) \$20 million for a
20 parcel of property UCLA never evaluated what those ten plus
21 acres were worth to UCLA.

22 And the reality of it's when we questioned about
23 that, was there any other area that could possibly serve to
24 serve this baseball program, a baseball program for student
25 athletes, the answer was there wasn't anything.

1 They looked in Culver City at a college that maybe
2 they could use the baseball field, and they determined of
3 course that they couldn't do that. This was indispensable for
4 UCLA's baseball program.

5 And when the coach wanted an infield, an additional
6 infield, the response was, sure, we're going to do that. They
7 did it, as Your Honor pointed out, hiding it from the veterans,
8 not letting them know about that.

9 If they were so open and so transparent and so
10 concerned about the veterans, why didn't they make that public?
11 Why didn't they have a hearing on it? Why didn't they say
12 we're thinking about amending the lease?

13 They didn't come close to that because they knew what
14 the response of the veterans would be, and so they kept that
15 quiet. And then they got donations which they kept for
16 themselves that paid for that land.

17 And in terms of those other services, look, UCLA
18 could give much more. That's what Mr. DeFrancesco said.

19 The Luskin School, which is the number eight-rated
20 school in the country for social work, could be providing
21 social workers. Mr. Kuhn said today those social workers could
22 be helpful in terms of outreach to benefits.

23 And whatever the concern is about these baseball
24 players, these baseball players who are student athletes, they
25 don't come close to the value of one single veteran who has to

1 sleep on the streets.

2 And when I hear them say two acres, no, that's not
3 the right answer. It's not two acres. It's whatever the
4 veterans need to get housing.

5 No one wants to put a cap on two acres. If there
6 isn't land available after good faith attempts by the VA, then
7 that land should be utilized.

8 And the argument that the inspector general blessed
9 this, come on. The testimony was undisputed that the inspector
10 general didn't know any of this.

11 Under the Loper (phonetic) case it doesn't matter
12 anyway. But the evidence what -- the OIG didn't know any of
13 that in fact going forward.

14 And your legal clinic, you know what that legal
15 clinic did? It submitted an amicus brief to the Supreme Court.
16 That's a farce.

17 That's how they help benefits, by giving students an
18 opportunity to write an amicus brief. Does anyone believe that
19 a single justice of the court read that brief or that it had
20 any advantage whatsoever?

21 Today -- and Mr. Hueston heard this. Today there are
22 veterans being evicted from property on that land. And there
23 are no UCLA students assisting them. Shame on that. That
24 should be the first effort of any legal clinic.

25 Mr. Reynolds and his team spent days and days and

1 days fighting in court to keep individuals from being evicted
2 from the permanent supportive housing. That's the bare
3 minimum.

4 And the schedule, of course you want it measured in
5 hours. But how about in terms of the use of it? How valuable
6 is this?

7 Take a look at the UCLA website, its sport website,
8 and how they promote that baseball program and how that
9 baseball program raises money for them, and how that baseball
10 program brings them prestige.

11 If it were so easy to be somewhere else, they'd be
12 somewhere else. They've got nowhere else to go.

13 This land -- and what are you suggesting now; that if
14 you get the two acres, then that's going to reduce the fair
15 market value? That's a boondoggle for UCLA.

16 And you know when we did Valentini (phonetic), UCLA
17 was paying \$56,000 for that land -- or for that land each year.
18 And I said to a lawyer for UCLA, how about going out and seeing
19 what the value actually is. And the answer was, no, we're not
20 going to do that.

21 UCLA owes so much in the -- UCLA owes the veterans
22 for the use of that land. And if this land weren't so valuable
23 for the baseball, does anyone think that what would be done
24 would be done here?

25 Yes, there are UCLA doctors who are working on this,

1 who work on this. But that's how they get their training. And
2 that's not even part of the process itself.

3 A healing garden, I don't think so. I don't think
4 that's a high priority of the veterans to have a healing garden
5 which isn't even tended to, a wellness center which isn't even
6 dealt with.

7 This is serious business. This is valuable land.
8 And the first priority should be whatever those veterans need
9 for housing.

10 And the second thing should be whatever the cost,
11 whatever that value is to UCLA, that's how much should be paid

12 What did they say; one percent a year inflation? I
13 wish -- everybody in this room wishes inflation was only one
14 percent a year.

15 It is a sweetheart deal. It is all about baseball,
16 it's all about a baseball program. That's great, let them have
17 it. But not at expense of the veterans. That's what a real
18 partnership would be.

19 And I am shocked and disturbed that they didn't come
20 in here and say, let's make a fair deal, let's do a recompense
21 in terms of what happened.

22 But giving refrigerator magnets and hot dogs and
23 Cokes, that doesn't cut it in terms of what these veterans
24 really need.

25 **THE COURT:** If the VA has anything that you wish to

1 state.

2 **MR. ROSENBERG:** Nothing further, Your Honor.

3 **THE COURT:** And, counsel, you have another
4 opportunity. I see you rise to your feet. I want to be
5 courteous and have you heard.

6 **MR. CARDOZA:** We do agree on one thing for sure.
7 This is very serious business.

8 And I just come back to the choice that's here
9 between are we trying to build community and a positive
10 collaboration going forward? That's the question today.

11 Mistakes were made in the past without question.
12 Congress took that up. The tradeoff it chose, the policymakers
13 who have the primacy over an issue like this, was the baseball
14 stadium would continue and we'd have the services model that
15 goes with it.

16 When I hear that kind of -- I'm very troubled by the
17 sort of the state of anger and division in our country, Your
18 Honor.

19 And when I hear this kind of rhetoric and conflict on
20 a solution when we should be thinking forward in community and
21 collaboration, it bothers me because this kind of hostility and
22 antagonism can impair a partnership that is providing a lot to
23 veterans.

24 I haven't heard what is going to deliver more to
25 veterans than the combo that Congress chose.

1 Are we going to just kick them off and bulldoze the
2 stadium out of spite because we're angry about the prestige,
3 the salary of the coaches, all those things?

4 Those are part of the calculus Congress had when it
5 said, okay, the program can continue, there's a rationale, it's
6 right there by the campus.

7 These are undergrad kids, the convenience of being
8 able to come nearby to play baseball is something we don't want
9 to get in the way of when the veterans get a lot out of it.
10 That should be our focus.

11 I don't -- I still don't understand the denigration
12 of the service. I don't. The thousands of people being served
13 are being provided a lot more than what was said.

14 And the question to Mr. DeFrancesco where he
15 supposedly admitted the predominant focus, that's a question of
16 law. It's not for him to say.

17 The facts about what the services are provided, the
18 hours, and the meaning of those words, that answers that
19 question.

20 There were mistakes made in the past. But the
21 progress, the additional staff, all of the additional in-kind
22 services, all of the hours, that's what our goal should be.

23 Let's keep that going. Let's not lob a grenade in
24 there. That does not help the veterans. We do agree on that.
25 That's the top priority here today.

1 **THE COURT:** All right. Then the last word will be --
2 I'm sorry, John, please.

3 **MR. HUESTON:** Question.

4 **THE COURT:** Just a question, counsel. Come on up.

5 **MR. HUESTON:** Counsel, has UCLA --

6 **THE COURT:** Would you make sure that mic's on and a
7 little louder?

8 **MR. HUESTON:** It may be off. There it is.

9 **THE COURT:** There we go.

10 **MR. HUESTON:** Has UCLA recently, in the last six
11 months to a year, conducted a third party assessment of the
12 value of the lease on the VA land?

13 **MR. CARDOZA:** I don't believe in the last six months.
14 But we'd be amenable to that.

15 **MR. HUESTON:** Okay, so you haven't. But you'd be
16 amenable to conducting one in conjunction with the Plaintiffs
17 to --

18 **MR. CARDOZA:** Yes, yeah.

19 **MR. HUESTON:** -- assess what the --

20 **MR. CARDOZA:** Yes, absolutely.

21 **MR. HUESTON:** -- current fair market value --

22 **MR. CARDOZA:** The current fair market value.

23 **MR. HUESTON:** -- of that lease is.

24 **MR. CARDOZA:** Yeah, absolutely.

25 **MR. HUESTON:** I think that would be a helpful point

1 of information.

2 **MR. CARDOZA:** Yeah.

3 **THE COURT:** Okay. First of all, let me compliment
4 you in terms of your university, and that is you're the number
5 one public university in the country.

6 Number two, for the present chancellor, my apologies.
7 You have nothing to do with this and here you are in Federal
8 Court.

9 You're not the person I'd like to speak to. I'd like
10 to speak to Gene Block quite frankly because it's obvious that
11 this went to the highest levels when you have the chief of
12 staff for the chancellor on a phone call.

13 And somebody in the chancellor's office, if not Gene
14 Block, or somebody else had to know about this attempt to avoid
15 a FOIA request, and they were going to shut the veterans out
16 from having input.

17 And the sad thing about this is the specter of UCLA
18 being asked to donate a literally vacant parking lot --
19 counsel, have a seat for a moment. You've had your discussion.

20 A literally vacant parking lot and veterans being
21 denied a vacant parking lot during COVID. I don't know how to
22 phrase that but I can't think of anything more inhumane or
23 colder.

24 It has nothing to do with you, chancellor. I want to
25 make that clear.

1 That isn't the public university that I think we all
2 cherish.

3 Second, before you got here I've set a precedent that
4 I'm not going to trade out with Brentwood School five acres of
5 land for 17 acres.

6 And I respect the position you've taken through your
7 counsel. But I'm going to ask you to go back and rethink this
8 because it may be an opportunity. But I'm not trading out two
9 acres of land for ten acres.

10 I don't know how many veterans you have there but
11 maybe there's a possibility in the future for veterans housing.
12 I don't know. I'm talking out loud. Maybe there's a way to
13 turn this around into a plus.

14 But I'm deeply concerned -- and, John, do you have
15 any further comment?

16 **MR. HUESTON:** No, Your Honor.

17 **THE COURT:** Do you have any further comment?

18 **MR. SPEAKER:** No, Your Honor.

19 **THE COURT:** Do you have any further comment?

20 **MR. SPEAKER:** No, Your Honor.

21 **THE COURT:** All right. The order of this Court is as
22 follows and will be docketed tonight.

23 Two weeks ago -- and I emphasize that because there
24 could have been an intervening when I sent out notice inviting,
25 never ordering, you to come in.

1 And when I find myself in the position today is going
2 down a road I really didn't plan, I thought minimally before I
3 came in there would have been discussion between all of the
4 parties in terms of the parking lot, Bridgeland Oil, the UCLA
5 facility, the Brentwood School.

6 And yet I walk into court today in a much more let's
7 say vigorous discussion than I ever planned. I would have
8 planned, and I think John will represent the same thing, that I
9 was going to lay back today and simply wait for all of you.

10 But nobody in the last two weeks got together, and so
11 therefore we've had a pretty strenuous hearing today.

12 And UCLA could have intervened or not. That was
13 UCLA's choice. Brentwood School could have intervened.

14 So two weeks ago I invited UCLA's chancellor to
15 today's hearing on injunctive relief. I make a record that the
16 chancellor has attended this hearing -- and the Court's very
17 appreciative -- upon request from this Court.

18 But the chancellor's office has historically been
19 involved in discussions with the VA regarding the stadium in an
20 attempt to shield the VA from scrutiny.

21 After hearing this proposal and some indication from
22 the special master of what this proposal was regarding how the
23 land on which UCLA's baseball stadium and the Branca practice
24 field might be repurposed, this Court's find that it's
25 inadequate.

1 But the door's not closed. In other words, the
2 door's open for future discussion.

3 But -- I emphasize again I appreciate the
4 chancellor's appearance and effort in this regard.

5 But hereby -- UCLA is hereby enjoined from accessing
6 the UCLA baseball fields and the facilities on the West L.A. VA
7 campus until and if UCLA proposes a position on how the ten
8 acres it currently occupies can be put to the principal benefit
9 of the veterans.

10 The VA is ordered by this Court to cordon off and
11 prevent any use of the UCLA baseball stadium and practice field
12 until further notice of this Court.

13 And that will take effect at 12:00 noon tomorrow. I
14 will be there at 3:00 o'clock to make certain this (inaudible).
15 I leave that to the VA. But if you don't do that, contempt
16 proceedings will follow.

17 Goodnight, and we'll see you at 9:00 o'clock
18 tomorrow.

19 **MR. SPEAKER:** Your Honor, just quick question
20 regarding --

21 **THE COURT:** Counsel, --

22 **MR. SPEAKER:** -- your order on --

23 **THE COURT:** Counsel, goodnight. We'll see you tomorrow at 9:00
24 o'clock. And we'll order this docketed on the public docket.

25 **(This proceeding was adjourned at 7:42 p.m.)**

CERTIFICATION

I certify that the foregoing is a correct transcript from the electronic sound recording of the proceedings in the above-entitled matter.



September 27, 2024

Signed

Dated

TONI HUDSON, TRANSCRIBER